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### **Life in a Time of Food Price Volatility: Evidence from Two Communities in Pakistan**

Mysbah Balagamwala and Haris Gazdar  
September 2014



**Life in a time of food price volatility** is a four-year (2012-15) research project to monitor the impacts of, and responses to, volatile food prices in poor communities in ten developing countries. It aims to inform short-term efforts to help people cope with high and fluctuating food prices, and to influence the design of food security and social protection responses over the longer term.



The project responds to emerging knowledge needs in a period of volatility and uncertainty around global food security.



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Mysbah Balagamwala and Haris Gazdar  
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# **Life in a Time of Food Price Volatility: Evidence from Two Communities in Pakistan**

Mysbah Balagamwala and Haris Gazdar

## **Summary**

This report contributes to the Life in a Time of Food Price Volatility project by examining the impact of food price volatility on poor and vulnerable households through qualitative research conducted in 2012 and 2013 at 'listening posts' in a rural and urban area of Pakistan. While food prices are high in relation to the purchasing power of the poor, price volatility has remained in check. This is partly due to policies for preventing shortages and price spirals which were put in place following the crisis period of 2007-09. Idiosyncratic shocks rather than price changes are conspicuous sources of food insecurity for poor households. Our study finds that the poor and vulnerable face short periods of hunger but prolonged hunger is prevented by informal mechanisms of support that operate through the 'food economy'. While formal systems in the form of cash transfers and government employment are considered significant sources of support, the government is not considered as a guarantor of food security by the poor. We find that the 'future farmers' hypothesis does not hold true for Pakistan as increases in output prices have not changed attitudes of young people towards farming.

**Keywords:** farmers; food price volatility; food security; food policy; hunger; informal social protection; Pakistan.

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With funding from UK Aid and Irish Aid, Oxfam and IDS embarked on a four-year research project to better understand the impact that food price volatility is having in different communities around the world. Studying the period 2012-15, the Life in a Time of Food Price Volatility project aims to fill the gap in evidence and understanding of the impact that volatile food prices are having on the lives of poor people living in rural and urban areas, including personal income and finance, health, social, family and security. The present paper is a contribution to that project. It aims to contribute to public debate and to invite feedback on development and humanitarian policy and practice. It does not necessarily reflect Oxfam or IDS policy positions.

The authors would like to thank Hussain Bux Mallah for his continued support throughout the project and for his outstanding supervision of fieldwork. They gratefully acknowledge their team of field researchers for their contributions to the research. In Year 1, the team comprised of Saima Jarwar, Fatima Latif Jhatial, Ayaz Latif Jokhio and Ghulam Abbas Soomro. In Year 2, Saima Jarwar, Zakia Mangrio, Barkat Ali Memon, Feroz Ahmed Memon and Ghulam Abbas Soomro were part of the field team and Abdul Haseeb Shaikh assisted with fieldwork supervision in Dadu. The authors are grateful to all those who helped translate the field notes into English. They would also like to thank Rashid Mehmood for his assisting them with research on local price monitoring systems and Naomi Hossain (IDS) and Richard King (Oxfam) for their support with the research.

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The authors take responsibility for any errors in this report.

# Acronyms

BISP	Benazir Income Support Programme
CNG	Compressed National Gas
CNIC	Computerised National Identity Card
CPI	Consumer Price Index
ECC	Economic Coordination Committee
FAO	Food and Agriculture Organisation
FGD	Focus Group Discussion
FPV	Food Price Volatility
FY	Fiscal Year
HIES	Household Income and Expenditure Survey
KP	Khyber Pakhtunkhwa
MNFSR	Ministry of National Food Security and Research
NGO	Non-Governmental Organisation
NNS	National Nutrition Survey
OGRA	Oil and Gas Regulatory Authority
PASSCO	Pakistan Agriculture Storage and Services Corporation
PBS	Pakistan Bureau of Statistics
TCP	Trading Corporation of Pakistan

## Note

All prices are in Pakistan Rupees. In Year 1, the exchange rate was US\$1 = Rs.95.35 and in Year 2 US\$1 = Rs.105.25 (Source: State Bank of Pakistan, monthly average exchange rate).

The Pakistan government's Fiscal Year (FY) starts on 1 July and concludes on 30 June of the following calendar year.

# 1 Introduction

## 1.1 Main motivations and objectives

Major shifts in food prices are significant events in people's lives; in 2012 researchers at the Institute of Development Studies, Sussex (IDS) and Oxfam started a four-year project to track the impacts of this volatility. This project, Life in a Time of Food Price Volatility, aims to monitor and record how Food Price Volatility (FPV) changes everyday life because so many of the social costs of managing change are invisible to policy makers. Nutritional or poverty measures may indicate that people living in poverty have coped well and appear to be 'resilient', but only because such measures often neglect the costs of this apparent resilience, including the increased time and effort required to feed and look after people; the non-monetary effects on family, social, or gender relations; mental health costs, such as stress; reductions in quality of life; and cultural issues, such as the pressure to eat 'foreign' fare, or food considered inferior. These issues tend to be neglected in nutrition and poverty impact studies, but they tend to matter a great deal to those affected (see Espey *et al.* 2010; Elson 2010; and Heltberg *et al.* 2012).

Life in a Time of Food Price Volatility spans the period 2012-2015, and focuses on experiences from 10 urban/peri-urban and 13 rural locations, across 10 low- to middle-income countries (see Table 1.1). It comprises a collective of researchers tracking, documenting, and analysing how FPV affects the everyday lives of people on low or precarious incomes, and focuses on paid work, the work of care or looking after families and others, how relationships are being affected, and what is happening to the resources people have with which to cope.

The project has three component activities, namely:

- Food security indicator tracking aimed at generating a picture of what has been happening to food security and food prices.
- Qualitative research, with short annual visits to groups and households. Eight of the sites have been visited annually since 2009, and so 2012 was the fourth visit; in the remaining 15 sites, research was initiated in 2012.
- Integrated qualitative and quantitative (Q<sup>2</sup>) analyses of the impacts of food price changes on well-being, drawing on nationally representative poverty data for each country.

### ***Where this research is being conducted***

Ten countries were chosen, based on the following:

- they have significant problems of undernourishment;
- teams were already in situ, as in the case of Bangladesh, Indonesia, Kenya, and Zambia, where work with IDS on crisis monitoring research has been conducted since 2009;
- Oxfam offices in those countries asked to be involved to improve their understanding of FPV impacts.

The 10 countries under study have been categorised according to their per-capita income levels and the prevalence of undernourishment (see Table 1.1 and Figure 1.1).<sup>1</sup>

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<sup>1</sup> Income classifications follow those employed by the World Bank; undernourishment prevalence thresholds are subjectively set at 25 per cent of the population (above which undernourishment is adjudged to be severe), and 5 per cent (above which undernourishment is labelled moderate). Data sources: the World Bank, 'GNI Per Capita, Atlas Method (Current US\$)', <http://data.worldbank.org/indicator/NY.GNP.PCAP.CD> (last accessed 18 March 2013); and FAO, 'Food Security Indicators', <http://www.fao.org/economic/ess/ess-fs/ess-fadata/en> (last accessed 18 March 2013).

**Table 1.1 Country groupings**

	<i>Low-income countries</i>	<i>Lower-middle-income countries</i>
<i>'Severe' undernourishment</i>	<b>Burkina Faso, Ethiopia, and Kenya</b>	<b>Guatemala and Zambia</b>
<i>'Moderate' undernourishment</i>	<b>Bangladesh</b>	<b>Bolivia, Indonesia, Pakistan, and Viet Nam</b>

Source: Hossain, King and Kelbert (2013)

**Figure 1.1 Research locations in the 10 developing countries**



Source: Hossain, King and Kelbert (2013). Reproduced by kind permission of Oxfam.

## 1.2 Partnerships and organisations involved

Oxfam and IDS have come together to coordinate this four-year project with BRAC Development Institute in Bangladesh, Centro de Estudios de la Realidad Económica y Social (CERES) in Bolivia, Institut des Sciences des Sociétés (INSS) in Burkina Faso, researchers from the University of Addis Ababa in Ethiopia, researchers in Guatemala, Social Monitoring and Early Response Unit (SMERU) in Indonesia, Mpereeza Associates in Kenya, the Collective for Social Science Research in Pakistan (the Collective), VietSurvey and the Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD) in Viet Nam, researchers in Zambia, and a researcher from University College Cork in Ireland. Within each research location, the project also works with local officials, non-government organisations (NGOs), and community-based groups. The project is funded by the Government of the United Kingdom, and, for the first three years, by Irish Aid. Oxfam provided funds in the first year, and BRAC Development Institute supported the project by paying costs in one research site.

This partnership grew out of earlier crisis-monitoring research by IDS with support from the British Government and Oxfam. It is in line with Oxfam's GROW campaign on food justice. From 2013, more researchers are being commissioned to undertake integrated qualitative-quantitative analyses of the effects of FPV on well-being at the national level. The project benefits from an advisory group to guide the research, analysis, communications, and uptake process.

## 1.3 The Pakistan report

In Pakistan, two rounds of qualitative fieldwork have been conducted in a rural site (villages in Dadu district) and an urban site (a low-income neighbourhood in Karachi, the largest city in the country). The first round of fieldwork was carried out in October 2012 and the same



communities were revisited in September-October 2013. This report is based on the findings of this qualitative research across the two years. The following section gives a brief overview of the national context of food security and food prices in Pakistan along with a discussion on food security-related policies and programmes that are in place. Section 3 introduces the methodology being used for the Life in a Time of Food Price Volatility project and how it has been adapted to Pakistan. The remaining sections discuss findings from our survey – Section 4 gives a brief description of research sites, their socio-economic features and livelihood options and shocks faced, Section 5 discusses the food economy, food consumption habits and food-related coping strategies while Section 6 recounts how inflation and price changes are perceived in the research site and provides a narrative of changes faced by households over the two rounds of survey. The next two sections address ‘special topics’ of research for Years 1 and 2 respectively – Section 7 ‘Future Farmers’ examines whether farming features in the livelihood aspiration of young people in our research sites and Section 8 titled ‘Local accountability for hunger’ is a discussion of how ‘right to food’ is viewed in our research sites and who people hold accountable for food insecurity and hunger. Section 9 concludes the paper with suggestions for policy and monitoring.

## 2 National context of Food Price Volatility and policy responses

### 2.1 Summary of national food security context

#### 2.1.1 Food security

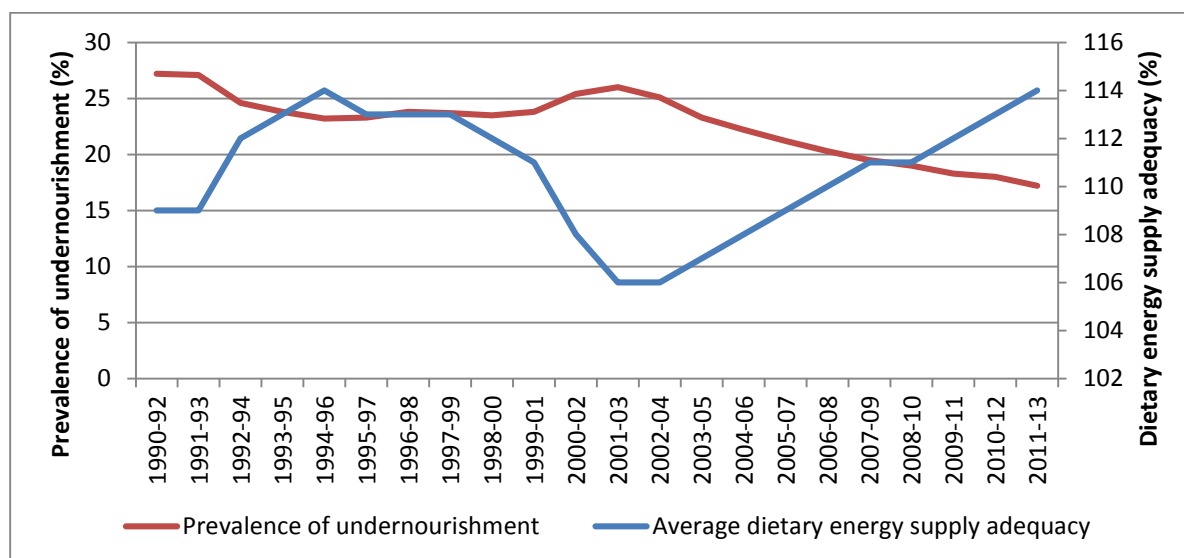
According to the Food and Agriculture Organisation’s (FAO) food security indicators, there have been improvements in food security in Pakistan in the last 10 years (see Figure 2.1).<sup>2</sup> In 2001-03, a quarter of the population had inadequate calorie intake but this fell to 17 per cent in 2011-13.<sup>3</sup> However, Average Dietary Energy Supply in Pakistan is over 100 per cent (and has been on an upward trend in the last 10 years) indicating that there is sufficient supply of food but a problem of distribution, due to which segments of the population are unable to meet energy requirements.<sup>4</sup> While average calories consumed per adult equivalent in Pakistan are above the daily requirement of 2100 calories per day, about 38 per cent of households consumed less than 2100 calories per adult equivalent per day (Balagamwala and Gazdar 2013). FAO indicators are useful as they allow comparison over time. However, these indicators have been critiqued for not being able to capture short-term undernourishment and inequalities in consumption within the household; the same is true for calculations of calorie consumption from household data (de Schutter 2014).

<sup>2</sup> FAO Food Security Indicators, <http://www.fao.org/economic/ess/ess-fs/ess-fadata/en> (last accessed 3 April 2014).

<sup>3</sup> The Prevalence of Undernourishment expresses the probability that a randomly selected individual from the population consumes an amount of calories that is insufficient to cover her/his energy requirement for an active and healthy life. The indicator is computed by comparing a probability distribution of habitual daily Dietary Energy Consumption with a threshold level called the Minimum Dietary Energy Requirement. Both are based on the notion of an average individual in the reference population (see FAO, Food Security Indicators).

<sup>4</sup> Average Dietary Supply Adequacy is Dietary Energy Supply (DES) as a percentage of the Average Dietary Energy Requirement (ADER) in each country. Each country’s or region’s average supply of calories for food consumption is normalised by the average dietary energy requirement estimated for its population, to provide an index of adequacy of the food supply in terms of calories. Analysed together with the prevalence of undernourishment, it makes it possible to discern whether undernourishment is mainly due to insufficiency of the food supply or to particularly bad distribution.

**Figure 2.1 Undernourishment and dietary energy supply adequacy in Pakistan**



Source: FAO Food Security Indicators (2013)

The National Nutrition Survey of 2011 (NNS) is a nationally representative household survey and collects more detailed information on food consumption to determine household food security status (Aga Khan University 2011).<sup>5</sup> It found that about two-fifths of households in Pakistan were food secure while 10 per cent experienced severe hunger and 20 per cent faced moderate hunger (see Table 2.1).<sup>6</sup> A larger proportion of households in rural areas were found to be food insecure compared to urban areas (60 per cent and 48 per cent respectively). Among provinces there is a large variation – only 28 per cent of households in Sindh were termed food secure compared to Khyber Pakhtunkhwa (KP), where 69 per cent of households surveyed were found to be food secure. Sindh also has the highest proportion of households which faced severe hunger (17 per cent) whereas in Punjab and KP only 9 per cent and 5 per cent respectively were in a similar condition. Calculations from the Household Income and Expenditure Survey of 2007-08 also show households in Sindh have the lowest consumption of calories, whereas households in KP had the highest calorie consumption amongst all provinces (Balagamwala and Gazdar 2013).

**Table 2.1 Food security status in 2011**

	Pakistan (%)	Urban (%)	Rural (%)
Food secure	42	47	39
Food insecure without hunger	28.4	27	29
Food insecure with moderate hunger	19.8	18	21
Food insecure with severe hunger	9.8	8	11

Source: National Nutrition Survey (Aga Khan University 2011)

<sup>5</sup> The FAO figures are based on quantities of food consumed converted into calories and calorie adequacy is measured against an international benchmark of energy requirements. The NNS figures on food insecurity and hunger, on the other hand use a definition of food security which is broader than energy requirements and include perceptions of hunger. The two statistics reflect different concerns and can therefore differ from one another.

<sup>6</sup> The NNS 2011 uses the FAO's 2002 definition of food insecurity, i.e. 'a situation that exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life'. It classified households into four categories of food security – food secure (households that show no evidence of food insecurity), food insecure but without hunger (there is no or little reduction in food intake but there are compromises on quality), food insecure with moderate hunger (only adults go hungry while children are not hungry) and food insecure with severe hunger (all members of the household including children have experienced hunger).

### 2.1.2 Dietary diversity

Haq and Suleri (2009) measured diversity of diet through food consumption scores<sup>7</sup> which they calculated for households surveyed across the country. Households were divided into three groups according to their food consumption scores— acceptable, borderline and poor – and it was found that most of the population was in the borderline category while 16 per cent of households had a poor diet (see Table 2.2). The report found that most households consumed cereals, sugar and oil every day, yet consumption of nutrient-rich foods such as meat and fruits was infrequent. The NNS 2011 collected detailed information of foods consumed by non-pregnant mothers of reproductive age through a 24-hour recall survey and calculated a breakdown of energy and nutrient intake of food consumption. According to the survey, on average women in Pakistan are energy deficient as their daily calorie intake is 1479 calories compared to a recommended allowance of 2100,<sup>8</sup> and while there is adequate intake of iron and macronutrients such as proteins, fats and carbohydrates, intake of micronutrients (calcium, phosphorous, zinc and vitamin C) falls short of the recommended allowance (Aga Khan University 2011; Pakistan National Nutrition Survey 2011).

**Table 2.2 Classification of households according to food consumption score**

Food Consumption Group	% of population
Poor	16
Borderline	58
Acceptable	26

Source: Haq and Suleri (2009).

### 2.1.3 Household expenditure and consumption

To see whether household expenditure on food and consumption have changed in the last five years, we use data from the last three rounds of the Household Income and Expenditure Survey (HIES) - a national sample survey conducted every few years.<sup>9</sup> Since our research sites are located in the province of Sindh, along with national level statistics we report data for urban Sindh and rural Sindh. Households in Pakistan spend a large part of their monthly expenditure on food and the share of expenditure on food is higher for poorer households. A comparison over the three rounds shows that there was an increase in the proportion of expenditure on food between 2007-08 and 2010-11, which could be an impact of high rates of food inflation during this period, but a decline was observed between 2010-11 and 2011-12. However, the percentage of total expenditure that households spent on food in 2011-12 (the latest round of the HIES) remained above 2007-08 levels. Households in rural Sindh spend a larger part of their expenditure on food compared to households in urban Sindh (56 per cent compared to 40 per cent) but the gap is comparatively smaller for the poorest households in the sample (60 per cent compared to 54 per cent) (see Table 2.3).

<sup>7</sup> Food consumption scores are calculated on the basis of frequency of consumption of a food group in a week. The number of days each food group is consumed is multiplied with a weight given to each food group according to its nutrient content.

<sup>8</sup> The NNS 2011 shows that on average women are consuming about 1500 calories in a day while calculations from HIES 2007-08 show that per capita daily consumption of calories is 2400. The large gap could reflect intra-household differences in consumption as women may be consuming less than men and children in the household. Difference in methodologies of the two surveys could also explain the difference – the NNS collects more detailed information using a 24-hour recall for one individual whereas the HIES collects information on what a household has consumed in the last 14 days for some items and last one month for other food items.

<sup>9</sup> HIES 2007-08, HIES 2010-11 and HIES 2011-12. These surveys have been conducted by the Pakistan Bureau of Statistics.

**Table 2.3 Proportion of household expenditure on food**

	2007-08 (%)	2010-11 (%)	2011-12 (%)
Pakistan (All)	44	49	45
Sindh Urban (All)	37	41	40
Sindh Rural (All)	53	60	56
Pakistan (Poorest)	55	59	56
Sindh Urban (Poorest)	52	58	54
Sindh Rural (Poorest)	58	63	60

Source: Authors' calculations based on HIES 2007-08 (FBS, 2009), HIES 2010-11 and 2011-12 (PSB 2011, 2013a)

Within expenditure on food, a quarter of expenditure of the poorest households goes on cereals such as wheat and rice followed by milk and edible oils and fats. The top 20 per cent of households, however, spend only 13 per cent of their food expenditure on cereals. Meat, fish and poultry contribute only 6 per cent of food expenditure for the poorest households, compared to 15 per cent for households in the top quintile (PBS 2013a).

There were no drastic changes in composition of food expenditure between the survey rounds. There was a fall in the expenditure share of fruits, milk products and edible oils and fats between 2007-08 and 2010-11 while there was an increase in the expenditure share of sugar and potatoes, tomatoes and onions. Comparison of expenditure on cereals over survey rounds shows that there was a small decline in the expenditure share of cereals between 2007-08 and 2010-11 and a decline of 1 percentage point between 2010-11 and 2011-12 (Table 2.4). However, a look at quantities consumed shows that there was an increase in the consumption of rice and wheat between 2007-08 and 2010-11 but a decline in 2011-12 (Table 2.5). There has been a decline in the consumption of milk as well but an increase in the consumption of edible oil and vegetable ghee (hydrogenated vegetable fat) and fruits (Table 2.5), items on which proportional expenditure had fallen (Table 2.4). Along with an increase in proportional expenditure, consumption of potatoes and tomatoes also increased but the consumption of onions declined even though there was an increase in its expenditure.

**Table 2.4 Proportion of food expenditure on different food groups**

	2007-08 (%)	2010-11 (%)	2011-12 (%)
Cereals	19.5	19.2	18.2
Pulses	2.4	2.6	2.3
Milk Products	25.1	23.9	25.2
Meat, fish and poultry	10.3	10.0	11.3
Edible Oils and fats	11.6	10.1	10.8
Fruits	3.8	3.5	3.1
Potatoes, Tomatoes, Onions	4.7	5.3	4.1
Other vegetables	3.3	3.3	3.5
Sugar and gur	5.1	7.5	5.4
Tea	2.0	2.1	2.4
Other	12.3	12.5	13.6

Source: Authors' calculations based on HIES 2007-08 (FBS, 2009), HIES 2010-11 and 2011-12 (PSB 2011, 2013a)

**Table 2.5 Monthly per capita consumption of selected food items**

	2007-08	2010-11	2011-12
Wheat (kg)	7.75	7.98	7.67
Rice (kg)	0.89	1	0.97
Milk (litres)	6.83	6.53	6.36
Vegetable Ghee (kg)	0.68	0.74	0.74
Cooking oil (litres)	0.16	0.17	0.2
Chicken meat (kg)	0.25	0.26	0.29
Banana (units)	3	3.78	3.11
Other fruits (kg)	0.9	2.03	2.12
Potatoes (kg)	0.99	1.1	1.19
Tomatoes (kg)	0.32	0.38	0.38
Onions (kg)	0.91	0.83	0.93
Sugar (kg)	1.32	1.31	1.28

Source: Authors' calculations based on HIES 2007-08 (FBS, 2009), HIES 2010-11 and 2011-12 (PSB 2011, 2013a)

We calculate the ratio of consumption of households in the top quintile to consumption of households in the bottom quintile to see differences in consumption of the rich and poor. Table 2.6 shows that there is not much difference in the consumption of cereals (wheat and rice), vegetable *ghee*, potatoes and sugar, but more expensive (and nutrient-dense) items such as chicken, eggs, and fruits have a very high ratio (e.g. in 2011-12 richest households consumed more than five times the chicken and eggs consumed by the poorest households). Across survey rounds, there is no definable trend in change in ratios across food commodities. For instance, the gap in consumption of fruits and eggs between the top and bottom households reduced over the three survey periods but the calculated ratio increased for milk, chicken and cooking oil between 2007-08 and 2010-11 and fell in 2011-12.

**Table 2.6 Ratio of consumption of households in top quintile to households in poorest quintile, by food items**

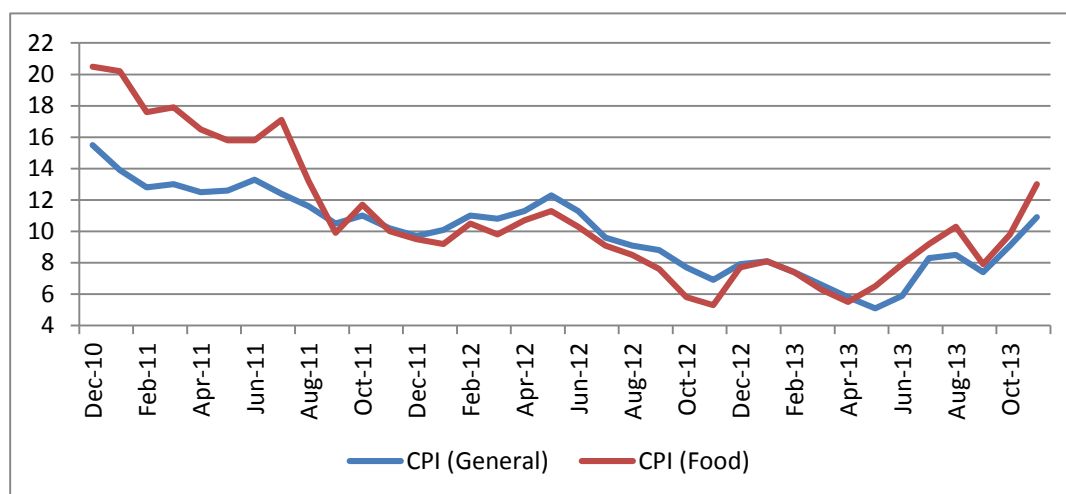
	2007-08	2010-11	2011-12
Wheat and wheat flour	1.11	1.21	1.18
Rice and rice flour	1.64	1.59	1.81
Pulses	2.06	2.16	2.05
Milk (Fresh & boiled)	2.98	3.21	2.86
Butter, Margarine & cream	7.69	18.06	23.34
Vegetable Ghee	1.14	1.23	1.11
Cooking oil	14.67	10.50	16.67
Chicken meat	5.67	6.00	5.45
Eggs	6.03	5.76	5.46
Other fruits	8.50	6.46	4.32
Potatoes	1.58	1.48	1.46
Other vegetables	2.09	1.97	1.94
Sugar	1.60	1.65	1.53

Source: Authors' calculations based on HIES 2007-08 (FBS, 2009), HIES 2010-11 and 2011-12 (PSB 2011, 2013a)

## 2.2 Recent movements in national food prices

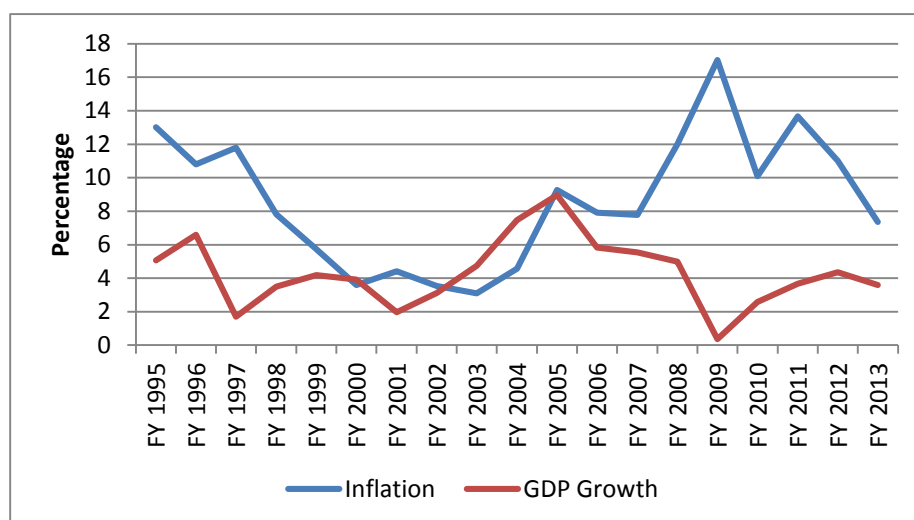
The rate of inflation (both general and food Consumer Price Index (CPI)) was on a downward trend between December 2010 and May 2013. Year-on-year inflation in December 2010 was 15.5 per cent but by May 2013 had fallen to 5.1 per cent, the lowest since April 2004. Between November 2011 and April 2013 food price inflation remained lower than general inflation, in contrast to the first half of 2011 when food inflation greatly surpassed general inflation (Figure 2.2). A longer trend in the CPI, as seen in Figure 2.3, shows that inflation increased substantially in the second half of the 2000s, peaking at a period average of 20 per cent in Fiscal Year (FY) 2009. While inflation remains high, it has decreased considerably since then and is no longer in double digits. In the same period, economic growth has been sluggish, but has picked up pace since 2008-09.

**Figure 2.2 Change in price indices between December 2010 and November 2013**



Source: Compiled from Pakistan Bureau of Statistics (2013c)

**Figure 2.3 Inflation and Economic Growth, FY 1995 to FY 2013**

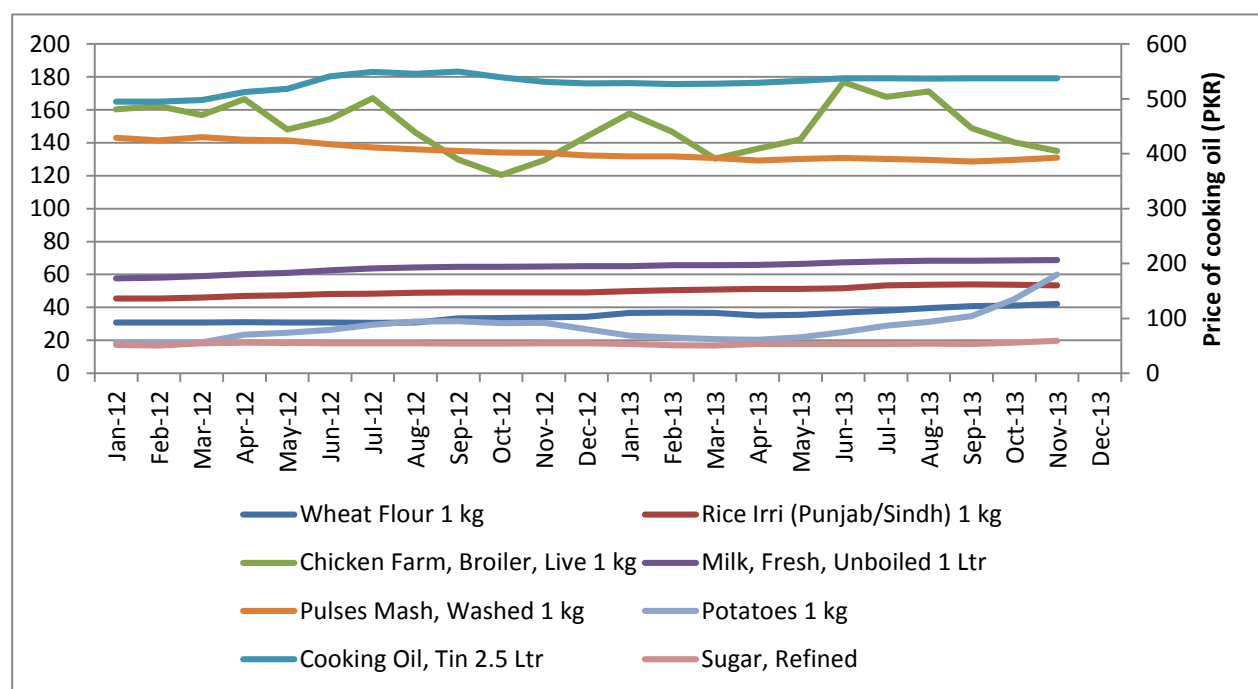


Source: GDP data from Pakistan Bureau of Statistics (2013b), inflation data from Economic Survey of Pakistan 2012-13 and State Bank of Pakistan Monthly Statistical Bulletin December 2013.

In 2012 and 2013 prices of most food commodities remained stable without much fluctuation over time, except for the prices of poultry which generally tend to fluctuate across the year (see Figure 2.4). There was a sharp rise in the price of cooking oil especially between March and June 2012 as prices increased by 25 per cent over these three months. However,

between the two rounds of fieldwork, there was a decline of about 2 per cent in the price of edible oil (Table 2.7). The price of wheat increased more between the two rounds of fieldwork as compared to the year preceding the first round of fieldwork whereas the change in price of the rice, the other commonly eaten cereal, was same for both time periods. The price of milk, however, grew more between November 2011 and 2012 compared to 2012 and 2013 (and in our fieldwork too urban informants complained about milk prices in Year 1 but not in Year 2). Household consumption and expenditure data, discussed earlier, reflects this as well as it shows that milk consumption declined between 2010-11 and 2011-12 but share of expenditure on milk products increased (see Table 2.4 and Table 2.5). Gram pulses (commonly eaten in our research sites) experienced a substantial price increase in the year preceding round one but prices had considerably fallen in Year 2 (Table 2.7). There has been a noticeable increase in the prices of potatoes (which poor households consume in large quantities) in the last few months of 2013 – in June 2013 the prices of potatoes per kilogram were Rs.25 (US\$0.25) which more than doubled to Rs.60 (US\$0.55) in November 2013. However, the prices of potatoes have since reduced (the price in January 2014 was Rs.28.87/kg (US\$0.27). This increase in price has been attributed to delay in harvesting of the potato crop in Punjab which was a result of changes in climate patterns. However, some attribute it to price and trade policies of the government (Rizvi 2013).

**Figure 2.4 Movements in retail prices of selected commodities between January 2012 and November 2013**



Source: Monthly Review of Prices, Pakistan Bureau of Statistics (2013c)

**Table 2.7 Percentage change in prices of selected food items**

	Nov 11- Nov 12 (%)	Nov 12- Nov 13 (%)
Wheat Flour	12.09	24.29
Rice	8.81	8.74
Chicken	1.86	4.29
Milk	13.52	6.11
Vegetable Ghee, Tin	5.42	-2.13
Pulses Mash	-9.16	-2.15
Pulses Gram	45.32	-31.57
Potatoes	7.54	95.43
Sugar	-17.07	8.86
Tea	6.65	20.66

Source: Authors' calculations based on Monthly Review of Prices, Pakistan Bureau of Statistics (for 2012 and 2013 data) and State Bank of Pakistan Inflation Monitor (for November 2011 data)

With regards to fuel prices in the months leading to the two qualitative survey rounds, there were increases in petrol prices by the Oil and Gas Regulatory Board (OGRA) in August 2012 (10 per cent), and September 2012 (6.7 per cent), and the prices of Compressed Natural Gas (CNG) were brought to par with oil prices, increasing by 20 per cent in September 2012. However, this was overturned in October 2012 (after our fieldwork took place) by a directive of the Supreme Court and CNG prices were reduced by about 35 per cent. In August 2013 and September 2013 too petrol prices were increased by 3 per cent and 8 per cent respectively, however, there were no changes in the price of CNG.<sup>10</sup>

## 2.3 Evidence of poverty and food security impacts over past year

Official data on the headcount rate of poverty in Pakistan have not been available since 2008, and unofficial estimates based on household budget data (from HIES) suggest that poverty continued to decline throughout this period (Newman 2013). In fact, Pakistan, like many other countries faced a dramatic economic slowdown as well as price volatility in 2007-2009, leading to the widespread expectation that poverty ratios would have risen. When the results of survey data showed continuing downwards poverty trends, questions were raised about the credibility of the survey data and poverty estimation methods, leading the government to disown the numbers (*ibid.*) Information on daily wage rates of labour is available (see Table 2.8) and shows that while rates of change in wages of unskilled workers and prices varied across years, in 2014 real wages were around 95 per cent of their 2009 value. Within this period, in the years relating to our study (2012 and 2013) wages rose faster than prices.

**Table 2.8 Percentage change in wages and food prices**

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 (Jul-Oct)
Daily wage (Unskilled Labour)	16.7	7.1	0.0	20.0	11.1	6.2
Inflation (Changes in CPI)	17.0	10.1	13.7	11.0	7.4	8.3
Real wages (Unskilled labour)	299.07	291.04	256.06	276.80	286.48	285.76

Source: Authors' calculations based on Economic Survey of Pakistan 2012-13, State Bank of Pakistan Monthly Statistical Bulletin December 2013 and Pakistan Bureau of Statistics 2013d

<sup>10</sup> World Food Programme Pakistan, Pakistan Market Price Bulletin – September 2012, October 2012, September 2013 and October 2013 issues.



## 2.4 National policy developments

In analysing food-security related policies in Pakistan we follow Gazdar and Mallah (2010) in dividing them into supply-side measures and market intervention, consumer subsidies and income support. The food price volatility crisis of 2007-2009 was an important turning point in policy-making in the country. The period coincided with a change of government and the resulted in the setting up of a National Food Security Task Force in 2008 which was asked to recommend policy reform. The two main recommendations of this task force were related, respectively, to stabilisation wheat prices in line with world prices, and establishing a cash transfer system for social protection (Balagamwala and Gazdar 2013).

### 2.4.1 Supply-side measures and market interventions

#### Wheat procurement policy

The main supply-side policy in Pakistan is the wheat procurement policy of the government. The government announces a support price of wheat at which it purchases wheat from farmers during harvest season and this price, to a certain extent, determines the market price of wheat. In the past wheat support prices were kept depressed below world prices to ensure low prices of staple grain for urban consumers, but this was changed following recommendations of the National Food Security Task Force in 2008. The Task Force gave a basis for formulation of wheat pricing policy by providing evidence that wheat output responds to prices, and that local prices were not shielded from global prices as wheat is exported (often illegally) to neighbouring countries at international prices. It was found that the failure to raise the wheat procurement price in line with emerging global trends in 2007 had exacerbated price volatility in Pakistan, led to hoarding, shortages, and price spirals which were then broken with the use of expensive wheat imports. The wheat support price which was Rs 625 (US\$ 10)/*maund* [40 kilograms] in 2007-08 was increased to Rs.950 (US\$12) in the following year. This was one of the most significant changes in agricultural policy in Pakistan and it helped improve agricultural growth rates and allowed prices of wheat to remain stable in the domestic market even when international prices were fluctuating (Balagamwala and Gazdar 2013; Prikhodko and Zrilyi 2013).

Wheat procured by the government is transported by the private sector and the government provides financing to ensure wheat is transported to deficit areas. The government sets a release price at which it sells the wheat to millers and regulates the price at which wheat flour is to be sold. The government purchases about 30 per cent of wheat produced while 30 per cent is stored by producers for own consumption.

#### Changes in wheat policy

Wheat is procured by the federal government through the Pakistan Agriculture Storage and Supply Corporation (PASSCO) and by provincial governments through their respective food department. Procurement price used to be set by the federal government at the beginning of the marketing year of wheat (May) and followed across provinces. But constitutional changes in Pakistan in 2010 under the 18<sup>th</sup> Amendment devolved food procurement policymaking to provincial governments. So far, provincial government had kept the same procurement prices as those set by the federal government.<sup>11</sup> However, this year (2014) Sindh has increased procurement price to Rs.1,250/*maund* (US\$11.90) whereas the federal government's price remains unchanged at Rs.1,200/*maund* (US\$11.40).<sup>12</sup> The wheat procurement price was changed by the Sindh government right before harvest season (and not before the start of the wheat sowing season as has been done before). KP and Balochistan provinces followed Sindh, and in fact the Balochistan government changed prices in the middle of procurement

<sup>11</sup> The Ministry for National Food Security and Research is responsible for setting wheat procurement prices at the federal level.

<sup>12</sup> Siddiqui (2014) <http://www.thenews.com.pk/Todays-News-3-243844-Sindh-increases-wheat-support-price> [accessed 12 May 2014].

to ensure that wheat from Balochistan was not smuggled to Sindh.<sup>13</sup> The implications of these changes for prices and availability of wheat may become apparent in the next year.

### Price watch and market interventions

The Economic Coordination Committee (ECC) of the Cabinet is the ‘watchdog for prices and inflation’. It meets every two weeks to coordinate fiscal, monetary and trade policies of the government (Tahir 2005). The Committee reviews price data collected by the Pakistan Bureau of Statistics<sup>14</sup> and takes necessary steps (such as changing trade policies or wheat support price) if prices need to be brought down. The government through the Trading Corporation of Pakistan (TCP) intervenes in the market through regulation of domestic and international trade to ensure availability of essential commodities in the market and to control prices faced by the consumer e.g. banning the export of vegetables to bring down prices in the local market<sup>15</sup> or disallowing private imports of wheat into the country (Prikhodko and Zrilyi 2013).

### Monitoring systems at the local level<sup>16</sup>

At the local level, food security is ensured through improving access to food by keeping a control on prices. Following high food prices in 2008, the Sindh government revived the defunct Bureau of Supply and Prices which was later converted to a department within the provincial government. The department is responsible for control of prices and distribution of civil supplies and essential commodities and matters connected with profiteering and hoarding and follows the laws laid out by the Sindh Essential Commodities Price Control and Prevention of Profiteering and Hoarding Act of 2008 (referred to as Sindh Price Control Act from this point onwards).<sup>17</sup>

The Sindh Price Control Act provides a list of items or ‘essential commodities’<sup>18</sup> of which prices and stocks are to be controlled, regulated and monitored by the government, and lays out the sanctions for persons who do not follow orders given under this act. It empowers the government to appoint a Price Controller at the district level to check prices and stocks of essential commodities and to ask any producer or supplier for information regarding production, distribution, prices and sale of essential commodities. This act also makes it compulsory for retailers (including push cart vendors) to display a price list of these essential commodities.<sup>19</sup> There are currently no consumer protection laws in Sindh (the only province in the country where these laws and consumer courts do not exist). The Sindh Consumer Protection Ordinance of 2007 failed to convert to an act and has lapsed.<sup>20</sup>

The Supply and Prices Department’s function is to monitor wholesale markets and auctions of commodities such as fruits and vegetables (locally known as *mandi*) to survey stocks of commodities and prices determined by the market. The controlling authority is at the sub-

<sup>13</sup> <http://www.dawn.com/news/1107485/balochistan-increases-wheat-support-price-by-rs50> [accessed 20 May 2014].

<sup>14</sup> The Pakistan Bureau of Statistics collects price data from a number of urban areas in the country. Data to calculate the Consumer Price Index (CPI) is collected and reported on a monthly basis while data to compute the Sensitive Price Index (SPI) is collected from major cities on a weekly basis (see Pakistan Bureau of Statistics, ‘Methodology of Price Collection and Computing Price Indices’).

<sup>15</sup> <http://www.dawn.com/news/1056015> [accessed 12 May 2014].

<sup>16</sup> This section is based on interviews conducted with representatives of the Bureau of Supply and Price, Government of Sindh, Consumer Rights Council Sindh, Karachi Wholesale Grocers Association, Fruit and Vegetable Market Association and various retailers.

<sup>17</sup> Government of Sindh, Supply and Prices Department, <http://www.sindh.gov.pk/dpt/S&PD/index.htm>, [Accessed 13 May 2014].

<sup>18</sup> This list includes the following food items: fresh milk, powdered milk, beef, mutton, chicken meat, milk for infants, white sugar, tea, edible oils and vegetable ghee, aerated water, fruit juices and squashes, vegetables, fruits, fish, eggs, pulses, wheat flour, rice, red chillies, spices and bakery items.

<sup>19</sup> Provincial Assembly of Sindh, ‘The Sindh Essential Commodities Price Control and Prevention of Profiteering and Hoarding Act, 2005’.

<sup>20</sup> Maker (2014) <http://www.nation.com.pk/national/16-Feb-2014/the-elusive-consumer-protection-ordinance> [accessed 15 May 2014]

provincial level. In Karachi, the Commissioner of Karachi<sup>21</sup> is Controller General Prices and he supervises the Karachi Division Price Committee which is responsible for setting prices of 'essential commodities', inspecting markets and sanctioning those who contravene the laws set out by the Sindh Price Control Act.<sup>22</sup> This committee comprises of government officials along with representatives of various business associations (e.g. Grocers Association of Pakistan) and consumer councils (e.g. Consumers' Right Protection Council). This committee sets a price list for essential consumer items on a regular basis, with frequency depending on the food item: prices of fruits and vegetables are set daily while prices of grocery items are revised once every two weeks). In these meetings, representatives of business associations prepare a list of prices of food items according to demand and supply in domestic and international markets. However, a representative of one such association felt that the Price Committee does not take these into account but set prices according to their own will. The Bureau of Supply and Prices also presents a price list based on their observations of wholesale markets and auctions. The Consumer Rights Council is an autonomous body that was set up by the provincial government in 2005 with a mandate to protect consumer rights. Their role is to monitor prices and give suggestions to the price committees so that consumers are not unfairly charged.

Price Inspectors are field officers of the Controller who monitor prices in the market and fine retailers that violate price lists and other price laws such as the requirement to display a price list at retail points. Penalties are as per the Price Control Act and depend on the violation. They can go up to Rs.30,000 (approximately US\$300) and up to 6 months of imprisonment (Provincial Assembly of Sindh 2008). There are supposed to be complaint centres in each market, but consumers do not usually record their complaints.

The rationale behind the price control system is not directly linked to ensuring food security for consumers but to curtail earning of excess profits by retailers and to prevent artificial changes in prices due to hoarding. Prices are regulated rather than determined as wholesale prices are determined at auctions and through demand and supply fluctuations. The Grocers' Association that takes part in the Price Committee meetings calculates prices taking into account demand for products and supply lines. Similarly, auctions are held which determine prices of items like fruits, vegetables and poultry and according to the prices of these auctions retail prices are set. While there are frequent raids on retailers in which fines are imposed,<sup>23</sup> the effectiveness of price regulation cannot be judged. A member of the Fruit and Vegetable Market Association labelled the price list set by the government as a 'dummy list' because it does not reflect actual retail prices as these lists are calculated on the basis of average prices, without taking into consideration factors such as quality, and because market factors determine actual retail prices.

#### **2.4.2 Consumer subsidies**

Subsidies are given to consumers of wheat by providing millers with subsidised wheat so that wheat flour is sold at low prices. The government also runs Utility Stores which sell essential commodities at a cheaper rate than market price. The Utility Stores also provide special packages in *Ramzan* (the Muslim month of fasting) when a basket of food commodities is sold at a discounted price. Such measures are taken to protect consumers from high prices during *Ramzan* which are a result of increased demand during the month.

<sup>21</sup> In administrative terms Karachi Division consists of 5 districts. The government machinery in each district is headed by a Deputy Commissioner, who reports to the Commissioner who heads the division.

<sup>22</sup> Website of Commissioner of Karachi (<http://commissionerkarachi.gos.pk/>) accessed 12 May 2014. The website has price lists of essential commodities which are updated on a regular basis.

<sup>23</sup> Business Recorder (2014) <http://www.brecorder.com/pakistan/markets/126112-2305-price-hiker> and <http://www.brecorder.com/pakistan/markets/172681-100-shopkeepers-fined-for-profiteering.html> [accessed 16 May 2014].

In Punjab, a '*sasti roti*' (literally translated as cheap bread) programme was promulgated in 2008 to provide subsidised wheat flour to *tandoors* (ovens) from which urban consumers purchase *roti* (flat bread) such that the price of a *roti* was half of the market price of *roti* of a similar type. Targeting was done geographically such that *tandoors* in low-income neighbourhoods were licensed to be part of the programme, but the subsidy was largely untargeted. The programme had a budget of Rs.3.3 billion (approximately US\$42 million) in 2008-09 (Gazdar 2011). However, this programme was discontinued in 2009-10.

### **2.4.3 Income support**

The main social safety net programme of the government of Pakistan is the Benazir Income Support Programme (BISP) which was established in 2008 with the rationale of protecting the poorest fifth of the population against high rates of food price inflation that had been experienced in preceding years. The National Task Force on Food Security, which had recommended tackling some of the effects of food price volatility (such as shortages and price spirals) through changes in wheat procurement policy, had also recommended compensating the poor through a targeted cash transfer programme. The BISP represented a 'paradigm shift' in social protection provision in Pakistan as it went beyond existing programmes of the government such as the *Bait-ul-Maal* in terms of fiscal allocation, size and targeting (Gazdar 2011). The BISP is an unconditional cash transfer given to women in households selected through a proxy means test in the form of a Poverty Scorecard Census. Beneficiaries of the programme were initially given Rs.1,000 per month or Rs.3,000 (approximately US\$30) every three months. In 2013 the amount was increased by 20 per cent and an instalment of Rs.3,600 (approximately US\$36) is now paid every quarter. Seven million women in Pakistan are eligible for the BISP cash transfer, of which over 5 million were active beneficiaries in 2013.<sup>24</sup> An impact evaluation of the programmes shows that more than four-fifth of beneficiaries of the programme reported spending the cash received through BISP on food (OPM 2014).

### **2.4.4 Other policy developments**

In 2010, a major raft of constitutional amendments (popularly known as the 18<sup>th</sup> Amendment) devolved responsibilities on a range of subjects from the federal to the provincial level of government. The federal ministry of agriculture and livestock was abolished as most of its functions had been passed down to the provinces. A new Ministry of National Food Security and Research (MNFSR) was created with a mandate to ensure food security at the national level and to coordinate and plan agricultural strategy. The Ministry is responsible for developing a National Food Security strategy, and while it has been three years since the ministry has been formed this policy is yet to be approved, and remains in the draft stage.

The first draft of this policy was titled 'National Food Security and Nutrition Security Policy' and its main objective was to reduce food insecurity by 50 per cent by 2030 and to 0 per cent by 2050 (MNFSR 2013b). It was modelled after the Zero Hunger programme of Brazil and stated that the "parliament should enact a food security legislation to make 'right to food' a fundamental right" and called for the formation of a Food and Nutrition Security Council (an inter-ministerial body which involved the civil society responsible for coordinating all actions and programmes related to food and nutrition security) and of a Food and Nutrition Security Information System which could monitor and evaluate all food and nutrition security related programmes. Under the Pakistan Zero Hunger Action Plan it proposed interventions such as school feeding programmes, nutrition programmes, condition cash or food transfers and support during disasters and agricultural programmes such as those that provide support for small farmers, rationalisation of market prices of food, supply and distribution programmes for poor and improvement of water supply. The strategy could have possibly faced many

<sup>24</sup> The remaining 2 million while eligible do not receive the cash transfer as they do not have a Computerised National Identity Card (CNIC) which is a requirement to receive the cash transfer or due to other discrepancies in information collected about beneficiaries such as postal address etc.

challenges such as coordination between sectors and coordination between federal and provincial actors. There was also considerable overlap with the goals of multi-sectoral nutrition strategies which has been developed by all provinces and it was not clear how the two strategies would interact.

In the event, the draft was replaced by an 'Agriculture and Food Security Policy' which shifts its attention away from nutrition and focuses on strengthening the role of agriculture in ensuring food security (MNFSR 2013a). It recognises a range of challenges that face the agricultural sector in the coming years and sets out a vision and goal for agriculture and food security along with guiding principles for both the provinces and the federal government. The central focus of the policy is to achieve sustainable growth in the productivity of major crops while promoting high value agriculture such as horticulture, fisheries and livestock and highlights the need to accelerate technological innovation and research efforts backed by institutional reform and investment. A set of actions is also proposed for better management of land and water and a reform of trade and fiscal measures. The policy clearly sets out to target marginalised and food insecure groups including women and children and the importance of maintaining strategic reserves and subsidies for these groups. For implementation, it requires the involvement of various ministries, departments and institutions at a federal level while giving operational responsibility for actions to the provinces. This policy focuses on production and aggregate food availability, but falls short on how access to food will be ensured. It proposes provision of food vouchers to vulnerable groups along the lines of the Benazir Income Support Programme (targeted to women in poor households) and the Brazilian Fome Zero food security programme, but provides no operational details. Inter-sectoral nutrition strategies that have been developed by Sindh (and other provincial governments) include similar ideas e.g. provision of food through the BISP system along with provision of vouchers in for subsidised food items in school to families of school children (Government of Sindh 2013). The policy also includes a nutritional education component for women with a focus on improving food habits and promoting healthy infant and young child feeding practices through mass media information campaigns and strengthening of the nutrition curriculum in educational institutions. However, no details are provided on how this will be linked with existing nutrition programmes which have more advanced nutrition education proposals than the actions recommended by the food security policy.

## 2.5 Discussion

Our analysis above shows that in Pakistan rate of inflation and volatility in prices have come down from the high levels experienced in 2007-09. The movements in overall prices and prices of essential food commodities in the crisis period of 2007-09 which have been analysed in Gazdar and Mallah (2010) were a result of volatile world market prices, a domestic business-cycle effect – the 2008-09 inflation spike occurred after a period of high economic growth in Pakistan – and domestic price management. The latter is especially important in the context of Pakistan because policies that existed at that time created a large differential between the international and domestic price of the staple commodity, wheat, leading to price speculation and hoarding which not only drove up prices but also created large fluctuations in prices from one month to another. Due to shortages in the market, the government had to intervene by importing wheat at a higher price, by providing untargeted consumer price subsidies and by preventing hoarding through penalties and financial restrictions on wheat trading.

The policy response to the food price crisis focused on preventing future price shortages and price spirals. This was done primarily by revising the wheat procurement policy, as laid out by the 2008 National Task Force report, by increasing procurement prices so that they are close to world prices. To protect the consumer from high prices, the government started a national social protection programme in the form of the BISP and the Punjab government begun providing bread at a subsidised rate under the *sasti roti* programme. At the provincial

and local level, to deal with hoarding and to regulate prices, the Bureau of Supply and Prices was revived.

The proposed food security policy is useful as a guiding document for the newly created Ministry of National Food Security and Research. Whether the policy will have a discernible impact on food price volatility in the coming years remains to be seen, as the policy is currently a set of proposed plans without targets or operational plans. The policy speaks of increasing agricultural productivity by improving water management, access to research and extension services, and developing supply-chains. These ideas are similar to previous policies and have received limited traction with respect to implementation or delivery (Balagamwala and Gazdar 2013). There are two areas, however, where the proposed policy appears to depart from current practice. First, there is reference to a redesign of the wheat procurement system by limiting procurement only to maintain strategic reserves and for distribution of grain to vulnerable groups targeted through food vouchers. This contrasts with the recommendation of the 2008 National Task Force to limit the goals of procurement policy to the prevention of shortages and price volatility, and using social protection systems for ensuring household food security. Second, the new policy proposes to protect consumers from price fluctuations in the international market through price controls in the form of minimum and maximum prices. Current practice, also emerging from the 2008 National Task Force, is based on the premise that it is counter-productive to attempt to insulate local markets from global prices in Pakistan.

The impact of food price volatility in 2008-2009 on poverty has been controversial. The fact that price volatility coincided with a domestic and then global economic recession further compounded possible causal factors. While it was widely expected that poverty would have risen, household data failed to show an unambiguous trend. Increase in the share of food in total consumption expenditure between 2007-2008 and 2010-2011 can be interpreted as indicating a rise in poverty – given that poorer population segments spend a higher proportion of their incomes on food. The issue is confounded by the fact, however, that there were no major changes in the composition of food expenditure between 2007-08 and 2010-11 - while cereal consumption increased a little so did the consumption of expensive items such as cooking fats and fruits. A more detailed analysis of household data, something outside the remit of the present study, is needed to resolve this conundrum. Our initial analysis of secondary data, particularly the comparison of the consumption of the poorest and the richest households in the distribution, are useful to set the scene for the qualitative study of food consumption which follows (Section 5). The secondary data show that while the consumption of cereals differed only marginally between the poorest and the richest, there was a great deal of variation in the consumption of nutritious foods such as high quality fats (butter), eggs, meat and fresh fruit. This suggests that the poorest were, on average, meeting their consumption requirements of the main staple, but not other food groups. Secondary data do not, of course, provide a finer account of variations around the average among the poorest, or fluctuations around the average over time.

## 3 Method and approach

### 3.1 Approach to longitudinal qualitative community case studies

A common research methodology has been developed for the Life in a Time of Food Price Volatility project which has been adapted in each country to fit the local context. A longitudinal qualitative case study approach is being utilised whereby communities selected in each country will be visited once a year for four years (between 2012 and 2015). Qualitative methods have been used to collect information on a variety of topics to document reported changes in the lives of poor and vulnerable communities. The purpose of the

research is to understand if changes in price of food (both in terms of increase and volatility) affect overall well-being, to explore the mechanisms through which this impact takes place and the response to changing prices and food availability. A detailed discussion of the rationale behind the project and the methodology used is available in the global report titled “Squeezed” (Hossain *et al.* 2013).

In each country two sites – one rural and one urban – were selected in round 1 of the primary fieldwork which in Pakistan was carried out in October 2012. These sites were then revisited the following year in September/October 2013. Sites were selected after consultation with the Oxfam team in Pakistan keeping in mind that the neighbourhoods or villages selected had a sizeable population of poor and vulnerable households and were reflective as much as possible of other poor communities in Pakistan. These sites are to serve as ‘listening posts’ for four years to determine perceptions of food security of the community and individual households and to track changes over time (Hossain *et al.* 2013).

### **Methods and tools**

In the first year, a community profile was carried out in each site through which information on socio-economic characteristics and demographic features of the site and infrastructure in the area were collected. The community profile was conducted with a group of respondents in different neighbourhoods or villages of each research site. It was ensured that the chosen respondents had knowledge about the community and about the households living in the site. A social-mapping of the area was carried out to understand the social structure of the village/neighbourhood in which a listing of different social groups present in the site was done along with an enquiry about their livelihoods, asset ownership, education, economic status and food security condition. Through the information collected in the community profile, the field team was able to select respondents for further interviews. Participants selected were those who were willing to be interviewed and those with ‘longitudinal potential’ i.e. those who were okay with the field team re-surveying them on an annual basis. Semi-structured research instruments have been used to collect in-depth qualitative data developed for the following type of interactions:

- Key informant interviews
- In-depth household interviews
- Focus group discussions.

### **Key informant interviews**

We carried out five interviews with key informants in Dadu and six interviews in the first year in Karachi to gather information about the research site, the standard of living of different socio-economic groups, sources of support available and changes in recent years. Examples of key informant interviews include a lady health worker, a tenant farmer and a large landowner in Dadu and a doctor, shopkeeper and retired government employee in Karachi. It was ensured that at least one key informant selected was a woman. In Year 2, we were able to interview the same key informants in Dadu and four of the original key informants in Karachi – one key informant who headed a social organisation had moved out of the neighbourhood and while another, a doctor, was unwell. To bring up the number to the required five interviews, we added one more key informant in Karachi who was a mid-wife.

### **In-depth household interviews**

In each site, ten households were selected for detailed interviews. Purposive sampling was done to ensure that at least one household of the following type was selected: female-headed households, BISP beneficiary households, socially marginalised households, households belonging to a dominant social group, religious minority, households with salaried workers, households with daily wage earners, (in the rural site) agricultural household with no own land, (in the rural site) agricultural household with own land and (in the urban site) recent migrants. In 9 out of 10 household interviews in each site, the primary



respondent was an adult woman responsible for managing the household. In Year 2, we were able to re-interview all the 20 households selected in Year 1; however, in two households in Dadu and Karachi the primary respondent was different to the one interviewed in the earlier round.

Household interviewees were asked about demographic and socio-economic information about the household which included occupations and income of all household members, socio-economic characteristics of the household, social standing of the household in the community, details about asset ownership and liabilities, food consumption behaviour, whether the household benefitted from governmental and non-governmental social protection programmes along with other questions of interest to the research.

### **Focus group discussions**

In each site, four focus group discussions (FGD) were carried out, each consisting of five to six participants belonging to low-income households. The four focus groups can be categorised as follows: adult males, young males, adult women and young women. In the second round of qualitative fieldwork, the field team tried to maintain a core FGD participant group and were able to gather same participants as Year 1 for some groups while in others more than half of the participants were same as in Year 1 and the other half were replaced with new respondents with similar profiles as those that had dropped out.

In Year 1, a food basket exercise was also carried out in which respondents were asked to compile a food basket representing daily food consumption of a typical household in the research site. The purpose of this exercise was to document how well people eat to be able to understand how well they live and how their well-being is affected by changes in prices.

### **Ethical considerations and data management**

At the beginning of each interview, respondents were informed about the research project and verbal consent was sought before starting the interview. Respondents were also informed about the qualitative nature of this study and were asked whether they would be willing to be interviewed in multiple rounds of the survey. Where permission was given, the interview was also recorded.

Interviews were conducted in local languages (mostly Sindhi) and were transcribed in the same language. These transcripts were then translated into English. In the second round, however, the data collection strategy was altered and instead of transcriptions field researchers wrote up detailed notes which were then translated into English. Each interaction and each respondent have been given a code and detailed metadata labels have been created for all interview notes/transcripts using a standardised format which has been used in all project countries.

## **4 Research sites**

### **Rationale for site selection**

For our rural site we selected villages in three administrative units of Taluka Johi of district Dadu in the province of Sindh which are situated about 15 kilometres from district headquarters. Our research site consists of a large village of about 250 households which is surrounded by smaller villages which have as few as 15 households. This district was selected for the following reasons:



- At the recommendation of the Oxfam team in Pakistan.
- This was a disaster affected area - about three-fifths of the population in district Dadu were affected by the Indus floods in 2010 and a fifth of the population was affected by floods in 2011(OCHA 2010; OCHA/UNDP 2012).
- Rural Dadu is an agricultural area where wheat, one of the main staple commodities of Pakistan, is grown.

The research site selected had been affected by the floods in 2010 – some villages within our site had to be evacuated as flood water had entered the village while other villages faced heavy rains without need for evacuation. Agriculture is the main source of livelihood in this area. There is only one major crop grown here in a year which is wheat, grown in the *rabi* season (October to April). Because the area lies at the tail end of canals, there is no water available in the summer and therefore no crop is grown. In the main village in our research site, located about 3 kilometres from the main road, there is electricity but most households do not receive gas and use wood or animal-dung as source of fuel. Although gas pipelines were laid in the area in 2012 only one household in our sample – one of the better off ones - had started receiving gas in 2013. There are government schools available for boys, and while there is a school for girls present it is not functional. As a result, girls in this village are not usually sent to school. There is a Basic Health Unit in the village and Lady Health Workers are active in this area. The smaller villages of the area do not have any education and health facilities. There are many households who are beneficiaries of the Benazir Income Support Programme receiving monthly cash transfers and some households have also received compensation for flood damage through the *Watan Card* [the government of Pakistan's cash transfer scheme for citizens affected by floods in 2010].

For our urban site low-income *mohallas* (neighbourhoods) in UC-12 of Gulshan-e-Iqbal Town in Karachi were selected. The site was selected for the following reasons:

- Karachi is the largest city in Pakistan; a low income area in Karachi is well-reflective of the impact of food price volatility on the lives of urban residents
- While the residents of the field site selected belong to the working class, it is not the poorest neighbourhood in Karachi
- The areas selected are multi-ethnic and a large proportion of residents are migrants. Some have recently migrated especially following the floods in 2010 and 2011 while the others have been living in Karachi for a few years
- The Collective team had previously conducted research around this area and had contacts with individuals living in the area who eventually become resource persons and helped in arranging interviews.

A majority of the households in our urban site are Sindhi speaking but there is a sizeable representation of Seraiki, Punjabi and Pushto speaking households as well. One of the neighbourhoods in the site has a large population of Christians, a religious minority in Karachi, as well. Residents of the area are involved in a variety of occupations; some have government jobs and private sector jobs and are paid on a monthly basis but a large proportion earns on a daily basis either as unskilled labourers or through self-employment (e.g. rickshaw drivers). Women who work usually do as maids in nearby middle class localities. All households have electricity and gas but there is no supply of drinking water and many households have to pay for tankers which supply them with water. There is a local committee set-up in the area to which residents pay a monthly sum for providing services such as water and sanitation; however, many respondents said this committee is largely ineffective. Private schooling and health facilities are usually used by residents of the neighbourhood. These are present in the area but for serious health concerns larger government or charity hospitals in Karachi are utilised.

## Social groups and hierarchies

In the rural site, the patrilineal kinship group is a defining characteristic of social organisation. Individuals and households are identified as belonging to particular kinship groups, some of which are arrayed as clans or tribes with clear leadership structures. There is one dominant kinship group in the area, in terms of political power, strength of social bonds, leadership structures and land ownership, and its chieftain or *Raees* is the largest landowner as well as the local member of the legislature. He is cited as presiding over dispute arbitrations not only among his own tribe but also among other kinship groups of the area. He enjoys an exceptional position in the survey site by virtue of the fact that his own ancestral village is located here.

While members of the *Raees*' tribe are generally more powerful and prosperous compared with other kinship groups, not all of them are wealthy. There are some among the *Raees*' tribe who have smaller land holdings, and also some who are landless. Other landowners are from the Qambranis and the Punjabis – both of whom are close political allies of the *Raees*. These other landowning groups, therefore, contribute to the political power of the *Raees* as well as his domination of the social organisation. Lower kinship groups include the Mallah (traditionally fisherfolk), Manganhar (traditionally drum-beaters), Hajjam (traditionally barbers), and Shaikh (traditionally sweepers and beggars).

While on first view the social ordering between kinship groups and its correlation with economic class and political power seems like an insular vertical hierarchy, in fact there is much fluidity, agency and negotiation in evidence. The *Raees* is able to maintain his primary position largely through his access to political resources by the virtue of being a legislator. While we heard the general story of there being little choice but for dependent voters to support the *Raees*, there were also cases of individual agency. A number of respondents claimed that they happened to be supporters of the political party with which the *Raees* was affiliated and if he switched parties they would remain with their preferred party. We also came across openly expressed dissent by those who felt that they had been treated unfairly by the *Raees*'s tribe. The *Raees* commanded much support not simply for being *Raees* but due to the public resources he was credited with having brought to local residents: 'when the *Raees* is in government people have money, when not they lose their jobs' (a young female participant of a FGD). The economic position of the *Raees* as a major landowner was also seen by many as linking their fortunes with his. One key informant was of the view, for example, that when the *Raees* and his family took a more active interest in farming their lands the entire community benefited through higher productivity and employment. Higher prices of agricultural produce led the *Raees* as well as other landowners to invest more in land. The authority, therefore, was at least partly based on transactional relations between kinship groups, classes and individuals. The kinship group hierarchy in general and the *Raees* in particular were part of the informal social arrangements relied upon by many residents in the face of adverse shock.

The maintenance of vertical power relations between kinship groups, however, was also premised on conflict and threats. Dissenters complained that their children were bullied at school by children from more powerful families, and that they were vulnerable to crime such as cattle theft, and the filing of false police cases against family members. The fact that such dissenters were able to speak openly about their concerns, however, was itself an indicator of the agency and fluidity in the hierarchical order. Another factor was the relative internal autonomy of subservient kinship groups in their own matters. While political and economic domination was articulated through the kinship group – notably the tribe of the *Raees* – it was also true others count on the support of their own kinship groups. This too accounts for a negotiated rather than imposed balance of political power and social structure. These other kinship groups also act as primary sources of consumption support.

In some ways the situation in the urban site could hardly be more different. Even though many of the migrants in this area are from precisely the type of rural communities observed in our rural site, they have not migrated en masse and clearly not with the social and class hierarchies intact. While the settlement has witnessed various forms of collective action over the decades, mainly with respect to getting the locality regularised, community-level organisations function only exceptionally. There had been one attempt to form a local committee to look after the provision of public goods and dispute arbitration, but this collapsed due to lack of interest on the part of individuals. There were also cases of some local individuals – such as professionals or government officers residing in the settlement – to organise collective action. Most of these attempts proved to be short-lived.

The locality is ethnically heterogeneous but that neither accounts for the lack of collective action, nor does it lead to overt ethnic conflict. In fact, most respondents believe that various ethnic groups get along. Younger men expressed concerns about ethnic discrimination and the effects of newly-arrived migrants on labour market opportunities for older residents. There were also ethnic perceptions based on the reputation of particular groups for their ability to use violence. Despite the salience of ethnicity in a number of narratives about social organisation, individual agency seemed to matter a great deal. There was some evidence that ethnic identity played some role in the support extended to those who had experienced adverse shocks – such as flood displaced persons. But there were also tensions between landlord and tenants of the same ethnicity, and conflicts among individuals belonging to the same ethnic group, and solidarity across ethnic lines.

In terms of social hierarchy, the most conspicuous line was that between the most recent migrants and those who had been in Karachi for several decades. There was an economic dimension to this too, with older migrants cohorts being more likely to be counted among property owners and newer migrants being tenants. Some of the rural hierarchies associated with identity were transplanted into Karachi, but since a large proportion of the residents were from 'lower' kinship groups in their places of origin these identities mainly signified poor endowments rather than active prejudice. The fact that the floods had adversely affected the position of some who might be regarded as high in the rural hierarchy had also made matters less straightforward. Words like 'respect' and 'honour' were used to speak about relative social position. Contradictory opinions about sources of respect – 'respect comes from education not eating well', but also that 'those who eat well are respected', or that 'money leads to respect' – reflected the overall ambivalence towards older norms. Many women worked as maids and cleaners in other people's houses – something that would have been considered 'disgraceful' for them in their home villages. These women now shared their status with those for whom it was already a norm in the village to work in other people's houses.

### **Livelihoods, work, wages and risk**

Both sites were selected, as explained above, to ensure the representation of poor and food insecure individuals and households. They were relatively marginal areas in the rural and urban contexts, respectively, but not necessarily the most marginal or the poorest. Although there has been much diversification away from agriculture in the Pakistani economy, agriculture still accounts for a majority of the workforce in rural areas. The country's most productive agrarian regions, and those which account for a majority of the rural population, are irrigated floodplains along the Indus basin. Non-irrigated regions consist, for the most part, of arid and semi-arid areas which depend on unreliable rainfall for crop cultivation, or rangeland for pasture. In terms of the agrarian economy our rural site stood somewhere between high productivity irrigated areas and areas without irrigation. Irrigation water is available in our sample villages for half the year – or for one major crop in the annual cycle. Land ownership is dominated by a few large landlords in these villages, who own upwards of 100 acres, some much more. There are also smaller landowners whose holdings might be limited to a few acres. A large number of farmers, however, are individuals who do not own

any land. They are sharecropping tenants for the most part, though there are also some who have taken land on fixed rental leases from landowners. Sharecropping was originally on a half-share basis, with the landowner and sharecropper entitled to half the total harvest. Under that arrangement the landlord, obviously, supplied (irrigated) land, and the sharecropper supplied labour and draught power. Other inputs were usually shared equally between the two. Since many of the inputs such as fertilizer and pesticides are now purchased from the market, the landowner usually buys them and deducts the tenant's share of input costs from the latter's share of the harvest. Tractors have replaced bullocks for draught power, and the rental and fuel payments of these machines are also borne by the landowner in the first instance, and then recovered from the tenant's harvest share. The fixed rental contract is usually taken by those tenants who are able to finance the production cycle from their own resources, and is more profitable for the tenant than sharecropping.

Then there are households which rely on the farm economy as labourers. Harvest season – late March in these villages which rely on the winter wheat crop – is the busiest time for labourers. At other times they take up any other labour work which becomes available in construction or the service sector. Households which rely mostly on casual labour are likely to be poorer compared to those farming their own or tenanted land. Harvest labour is paid in kind and entire households are involved in this work. For the landless poor harvest labour is the main source of acquiring grain stocks for their own consumption, and a household with 2-3 able-bodied adult workers can earn up to the equivalent of half a year's supply of grain. For other forms of casual employment such as in the service and construction sectors, workers travel to nearby towns and are paid daily wages. In 2012 the daily wage rate was Rs.200 to 300 (US\$2.10 to 3.10), while in 2013 it was 300 to 400 (US\$2.80 to 3.80).

The most sought after employment in the rural site – and in the urban one – is a salaried government job. These jobs generally come with employment security and relatively higher earnings. In the rural site a number of individuals – mostly men – had government jobs. Some of them were located in the village or nearby towns, while others had moved to bigger cities and sent remittances to their households back in the village. The local member of the legislature, who is the chieftain (*Raees*) of the dominant tribe in this region, and a major landowner, is a key source of livelihoods for farmers as well as government employees. Many of the landless farmers in the area are tenants of the *Raees*. He is also credited with having used his influence in government to place many of his constituents, particularly those from his own village, into sought-after public sector jobs.



Picture 1: A resident of the urban site prepares sweet potato for sale. Small-scale vending is a common occupation in low-income areas of Karachi. Photo: Naila Mahmood

The urban site which is at a distance of around 10 km from the city centre developed as an irregular settlement of rural-urban migrants some 30 years ago. It is adjacent to a number of planned localities which were aimed to house middle class families. The locality existed as an informal settlement without security of tenure until it was regularised and provided with public infrastructure such as electricity and gas connection and in the case of some households, water supply. While a number of residents can be classified as being middle class – with government jobs, or in the professions – a majority of the inhabitants are relatively poor and dependent on casual labour, insecure jobs, and low-wage self-employment in the service sector. These include jobs in the transport sector, small-scale vending, and various other jobs for which workers get paid on a daily wage basis. Male casual labourers can expect to earn around Rs.400 to 500 (US\$4.80 to 5.80) as the daily wage rate. Many of the women in the locality work as maids and cleaners in

the houses of better-off households within the locality as well as in the surrounding planned localities. They usually earn around Rs.7,000 (about US\$ 67) monthly. Many of the residents are relatively recent migrants from rural areas – some of whom arrived here due to flood-related displacement in 2010 and 2011. The residents are from a variety of ethnic groups corresponding to their places of origin in Pakistan (as well as outside).

There is a conspicuous division in this locality between those who own their houses and those who live in rented accommodation. Tenants are mostly relatively recent rural-urban migrants. Many of the homeowners are themselves rural-urban migrants from earlier periods who were able to establish themselves in the locality. Some are individuals who arrived in the city several decades ago and acquired entry-level public sector jobs. Some homeowners who are relatively affluent, own several properties in the locality which they rent out. Rents range from just around Rs.1,000 (US\$9.50) monthly for an empty plot with a makeshift structure, to Rs.4,000 to 5,000 (US\$38 to 48), or the equivalent of half the official minimum wage.

Even though residents of the urban sites potentially have access to diverse sources of livelihood compared with their rural counterparts, government salaried jobs are considered highly valuable here too. These jobs are associated with security of employment and a stable and regular income. In both areas it was reported that government jobs were only open to people with some minimal educational qualifications. Beyond that, connections with influential individuals or outright payments of bribes to recruiting officials were considered necessary conditions for acquiring a government job.



Picture 2: Mrs K's house in Karachi is an empty plot with a makeshift structure. She pays Rs. 1,000 (US\$ 9.50) a month as rent. Photo: Naila Mahmood

In both areas, at the bottom of the economic scale, there were households which relied on charity and begging to make ends. Qualitative research was able to focus attention on this group which is often ignored in larger sample surveys. While details of charity and begging with respect to food acquisition are provided further below, a number of observations are pertinent at the outset. We need to acknowledge begging as a livelihood source and not merely as an aberration from the conventional definition of livelihoods around paid work. Some households involved in begging cite it as a traditional occupation, while others claim to have been reduced to begging by economic circumstances. Knowledge about begging and households depending on begging is well-known within communities and there are culturally rooted norms which account for the steady circulation of resources to the 'sector'. There seems to be a continuum of giving and receiving between reciprocal exchange, charity, and outright begging. An understanding of begging, therefore, is important not only for its own sake, but for a more general view on informal sources of support in communities.

There are several conspicuous sources of risk and uncertainty, other than those related to price volatility, in the rural and urban site. Ill-health, accidental injury or the untimely death of a household member, particularly an adult, is a frequently cited source of shock in rural and urban areas alike. In the case of illness or injury, households make extraordinary efforts to secure the best possible treatment they can afford. According to poor rural informants, health contingency is when they really need cash – far more than they require cash for food



purchases. Even when families refer to public sector health facilities they do bear considerable out-of-pocket expenses in relation to their income levels. In urban areas informants cite additional health-related issues such as drug addiction which impose serious burdens on families. When a health contingency or untimely death relates to an adult the household suffers doubly – it needs to pay for expenses, and also loses a potential earner (in case of an adult male) or primary care-giver and earner (in case of an adult female).

The effects of environmental shocks – notably the floods of 2010 and 2011 – were conspicuous in the rural as well as the urban site. Some parts of the rural site were directly affected by rains and floods, and families had lost their homes, household belongings, stocks of grain and livestock. In the urban site we found several families who had migrated from their homes due to the floods. For them migration was a coping strategy, and assistance they were offered by relatives and others in the urban area added to the help received from government. Another source of environmental shock in the rural area was the erratic availability of irrigation water in the cropping season. This is due to fluctuations in water availability in the system as well as governance issues in the allocation of irrigation water supply to various users.

Conflict is an ever-present source of risk and uncertainty in rural and urban areas alike, even if it manifests itself differently between the sites. Among our sample cases, conflict within families is often associated with the breakup of households. In some cases this is caused by economic adversity while in others it becomes the cause of economic hardship. At the other end of the spectrum, political conflict also has a direct impact on the livelihoods of the poor. In the urban site, for example, days of politically-motivated strikes are cited as particularly difficult moments for daily wage earners, and those who rely on daily purchasing of household groceries. The effects of the closure of CNG (compressed natural gas) stations (due to government-imposed rationing of natural gas consumption) are similar, as many of the workers in the urban site depend on the CNG-fuelled transport sector for their livelihood. For other casual labourers and self-employed workers like petty vendors, the shut-down of public transport due to a strike or CNG closure implies the loss of a day's earnings.

While rural households fear conflict with powerful landowning families because of the belief that the latter can manipulate the police against the poor, or because they can evict the poor from tenancies, for the urban poor who live in rented homes the fear of eviction is a real one. According to one poor rural-urban migrant who faced difficulties meeting the rent rise imposed by her landlord, she would be forced to 'live in a tent'. Indeed, there was one family in our sample which lived in a makeshift tent-like dwelling on an empty plot for which they paid a small rent.

We also have several cases in both rural and urban areas of individuals and households whose livelihoods have been adversely affected by vulnerability to crime. In some cases crime and economic threats are correlated with local power relations. One sharecropper in the rural site who had been involved in a conflict with their landlords over crop-sharing had been implicated in a court case in which he was acquitted. The family felt vulnerable to frequent thefts of livestock and other valuables which they attributed to their former landlords. In the urban site, one respondent had to give up his barber's shop because of frequent threats of extortion, and violence at the hands of non-paying customers. The fact that his tormentors were considered to be affiliated with a relatively more powerful political grouping made him particularly helpless.

## **Gender relations**

The respective roles and agency of men and women with regards to livelihood, care and food consumption are strongly influenced by dominant social norms in rural and urban areas alike. While care and food consumption within the household is seen almost exclusively as the female domain, earning and providing resources for care and consumption is regarded as

the male area of responsibility. There are norms too regarding the mobility of women and older girls in the public sphere which is generally regarded as a male space. Women's work outside the context of the household – on someone else's farm or home – is regarded as a mark of low status. These norms, therefore, are often observed in the breach particularly by the poor.

In the rural site many of the women take part in remunerative work, not only in various agricultural activities but in home-based activities such as sewing and embroidery. When they earn cash there is a clear idea about their own income in contrast with the income earned by male adults within the household. The same is true for the cash transfer which a number of women in our sample received. Even so, it is strongly believed that it is the responsibility of men to provide resources for care and consumption. Women's involvement in agricultural activity includes farm work on the household's own or sharecropped/leased land. It includes tending to livestock, and taking part in the wheat harvest. Some women in the rural site also work at times in the homes of well-off families. This is generally viewed as an undesirable activity, and one of our informants who does occasionally work in other people's houses was at great pains to point out that she does so only very rarely and also due to strong personal bonds.

Gender-based norms for care and livelihoods are similar in the urban site. Women feel more mobile, however, and many women from poor households in our fieldwork site work as maids or cleaners in other people's houses. We have already referred to a case above which illustrates the supposed trade-off between respect and wages with regards to women working in other people's homes. Sometimes women domestic workers get food from their employers, but this is not always the case, and often this food is stale. Women in the urban site are more burdened by the work-care pressure than their rural counterparts, possibly because of the availability of other close relatives in the village. They feel guilty about leaving their children behind and end up making special arrangements for care, or having children not cared for at all. In Mrs M's household, for example, an older sibling stayed away from school to look after younger children when the mother went out to work. Like their rural counterparts, many urban women are also involved in home-based work such as sewing and embroidery.

### **Local markets and prices**

We asked respondents about prices of basic commodities that were consumed regularly by households in their neighbourhood. Table 4.1 compiles responses that were received for selected items.<sup>25</sup> Prices of most food items increased over the two rounds of data collection while wages and salaries (in terms of cash) increased in Dadu but remained the same in Karachi across various occupation groups. Daily wages for unskilled labourers estimated in terms of wheat flour show that wage labourers in Karachi are able to purchase more wheat with their wages than unskilled labourers in Dadu. However, there appears to have been a slight improvement in Dadu in this respect across survey rounds but deterioration in wheat equivalent wages in Karachi. There was not much difference in prices of food items in rural and urban areas barring a few commodities such as milk which was significantly cheaper in Dadu, wheat which was marginally more expensive in Karachi and rice which was cheaper in Karachi. Milk is cheaper in rural areas as it is produced there and as it is a perishable item, households retain enough milk for own consumption and sell off the excess. Similarly, wheat is also produced in Dadu explaining the lower price there. Rice is one commodity that is cheaper in Karachi than in Dadu – this is because rice is not produced in our rural site and Karachi has a more developed market, and thus is more likely to have lower prices.

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<sup>25</sup> For Karachi, price data we collected was compared with official price data collected by the Pakistan Bureau of Statistics (PBS) for the same period and was found to be in line with secondary data. A similar comparison could not be done for Dadu as the PBS only collects data from specific urban centres.

**Table 4.1 Wages and prices in research sites**

	<b>Dadu</b>		<b>Karachi</b>	
	2012	2013	2012	2013
<b>Food</b>				
<i>Wheat flour (kg)</i>	30 - 35	40	32-40	40-45
<i>Rice (kg)</i>	70-80	90 – 100	60-70	75
<i>Pulses (kg)</i>	60 - 90	120 - 160	80 – 120	80 – 120
<i>Potatoes (kg)</i>	25-30	20 - 30	15-20	20-30
<i>Ladyfingers (kg)</i>	30-40	60-70	60	70-80
<i>Milk (litre)</i>	40 – 50	50 – 60	75	75-80
<i>Chicken (kg)</i>	200-250	240 – 300	220	240-300
<i>Sugar (kg)</i>	70 – 80	50 – 60	40-45	50-56
<b>Agricultural Inputs</b>				
<i>Urea (per sack)</i>	1,800	1,960		
<i>Fertiliser (per sack)</i>	3,000-4,000	4,300-4,500		
<i>Tractor/plough (per hour)</i>	1,000-1,100	1,200-1,300		
<b>Rent</b>	No rent		Increase of 500 – 1,000	
<b>Wages</b>				
<i>Unskilled labour (per day)</i>	200-300	300-400	400-500	400-500
<i>Rickshaw driver (per day)</i>	200-500	300-500	150-400	200-400
<i>Private job (per month)</i>			8,000 – 10,000	8,000 – 10,000
<i>Wheat equivalent (unskilled labour) in kg</i>	6 – 10	7.5 to 10	10 – 15.5	10 – 12.5

Prices are in Pakistan Rupees. In 2012, US\$1 = Rs.95.35 and in 2013, US\$1 = Rs. 105.25  
Source: Author's own

## 5 Food, hunger and coping

### 5.1 Food economy: access and acquisition

Our fieldwork in this project builds on earlier qualitative fieldwork on food consumption and security in Pakistan in the context of price and supply shocks (Gazdar and Mallah 2010). It confirms and extends the finding of previous research that for many of the poorest – in both rural and urban areas – livelihood activities revolve around their food economy. Access to and acquisition of food, often basic staples, defines and shapes much else. This perspective moves the food economy to a central position in place of the view that regards food commodities as simply some, albeit more important, elements in a portfolio of consumption expenditure. We reiterate the finding that for the poorest individuals and households other activities and preferences are subsequent to the acquisition of staple foods.

In the rural site the food economy revolves around the wheat crop which is sown in the winter and harvested in late March and while all households regardless of occupation are part of this food economy, interaction with it varies across occupation groups. A household member in government employment can lead to a degree of insulation from the local wheat crop and allows for monthly budgeting and more secure and stable access to food. It also leads to improved access to credit from retailers who are confident in the salaried individual's ability to repay her or his debts. The high value placed on government jobs, even in the rural site, is



indicative of the importance people attach to the food security which comes from a predictable income stream. Rural households with members in government jobs, however, remain part of the local wheat cycle, depending on their land ownership and tenancy status.

For landless households tenancy – mostly sharecropping – is considered to be a source of greater food security than recourse to casual labour. Even after all deductions, a sharecropping tenant is usually left with sufficient grain to last the annual cycle. Moreover, if grain does run out before the subsequent harvest, sharecropping tenants are able to acquire wheat on loan from their landlords who then deduct these advances from the coming harvest. In fact, there is an active circulation of grains between landowners, tenants and local retailers. The latter maintain grain accounts and charge mark-ups on grain advances either in terms of cash or in terms of grain itself.



Picture 3: Wheat is stored in containers made of metal and mud in our rural site. Almost all households acquire grain during harvest season and consume it over the year. Photo: Collective team

Landless households that rely on wage labour rather than sharecropping are also involved, almost universally in the wheat crop cycle. Harvesting remains a labour-intensive activity and is an important source of grain for the landless. As noted above, landless households with able-bodied adults (including at least one male) can earn sufficient grain from in-kind wages for harvesting work to last them six months. We found that some of these households were also involved in selling grain to local shops in order to raise cash for pressing needs such as health care. The arrival in this area recently of combined harvesters had led to some decline in the demand for harvest labour. The wheat crop cycle is also a source of food for those who may not be involved in agricultural work at all. One case study household belonging to a traditional beggar family reported that they acquired grain at harvest time from various cultivators simply through begging. If the crop was good they received more alms. They also sold part of what they acquired to finance cash expenses.

While wheat is clearly the most important food item in the rural site, the circulation of food is not limited to the staple. Livestock rearing for dairy is an important part of the agricultural economy. Livestock ownership is not limited to those with land, though landowners and tenant farmers are clearly at an advantage because they dedicate part of their holdings to fodder cultivation. Livestock is also a common form of saving. Some form of grazing is possible free of charge on uncultivated land, and there are also instances of fodder being given free of cost. Poor households often rear farm animals on a share-basis with the owners. They are responsible for the upkeep of the animal, can use the milk, and share in the profit once the adult animal is sold. Some households keep others' animals for a cash fee. There is a seasonal element to this work, as animals are not driven outdoors in the winter for the fear of damaging the wheat crop.

Traditionally, milk production was mostly consumed within the community, and a household's surplus milk was provided free of cost to other village residents. Milk by-products such as *lassi* (a yoghurt-based drink) were also shared freely. While some such sharing is still in evidence there has been some decline due to the commodification of milk and dairy products. A milk packaging company set up a collection centre near the village in 2012 but it was shut down in 2013. This may have had some impact on the overall availability of milk for consumption and circulation within the village. A major source of demand for milk comes from local tea-shops which buy up large quantities.

Other food items are also sometimes available free of cost to local residents. *Saag*, or the edible leafy part of the mustard plant which is grown primarily for its oilseed is available in the winter and is provided by farmers to those who ask for it. We even came across households in our urban sites which have rural links and received *saag* during its season from the village. Some landless rural informants report that they sometimes obtain seasonal vegetables free of cost from farmers.

Households in the urban site are obviously much more dependent on the market for their food. There were some urban households with rural links who receive grain from the village, as well as the cases noted above of *saag* being sent from the rural area. For the most part, however, even recent rural-urban migrants in our urban site were entirely dependent on local purchasing. Urban households with government jobs, like their rural counterparts, plan their food acquisition over the monthly salary cycle. Others rely on more frequent purchasing from local retailers. There are variations in the quality of food available in or near the urban site, and the poor generally compromise on quality for price. They are also unable to take advantage of outlets such as the publicly subsidised Utility Stores because they typically buy smaller amounts in each purchase than the portions available at these shops.

Just as there are urban households in our sample which acquire grain from rural areas, there are also rural households among the case studies which rely exclusively on local retailers for their acquisition of the staple food. A *Kumhar* (potter) household is entirely dependent on cash earnings from baking clay water carriers and does not have any able-bodied members who might take part in harvest labour. They do not hold out for alms and use the cash they earn from selling their pots on purchasing wheat flour.

The existence of a food economy with the circulation of grain as well as some dairy and vegetables in the village does not imply that the market is not present. In fact, the market is very active. It is only with regard to the main staple that needs are almost entirely met through internal circulation. Other items considered to be necessities – such as cooking fat (vegetable *ghee*), spices, milk, tea and sugar are purchased here too from local retailers, or from shops in the nearby town. Poorer households, like those in urban areas, make frequent purchases and are unable to keep inventories at home.

In the urban site, but also interestingly, in the rural one, there is a significant market for prepared foods even among the poorest. In fact, in the rural and urban site both, biscuits and rusks purchased from local retailers were frequently cited as common breakfast foods. *Pakor*as (deep-fried gram-flour fritters) are also commonly consumed as snacks in both sites. We also came across instances in both sites of poor households buying cooked curry from local restaurants. According to one poor urban household, it was cheaper to buy a portion of curry from the restaurant than to cook at home. This is possibly because of the small quantity consumed. The same was the case with one rural household whose working males were engaged in non-farm work in a nearby town. Many of the working men in both rural and urban areas ate their daytime meals at restaurants. The consumption of tea was even more common in both areas. These tea-shops and wayside restaurants maintain credit tabs with regular customers for the purchase of tea.

## 5.2 What people are eating: hunger and consumption

Rural and urban informants are similar in terms of the way in which food consumption priorities are discussed. The main staple, which happens to be wheat flour in both the sites, is the primary concern of most households. This is understandable, given that there are many in our sample and in these survey sites that experience actual hunger from time to time. In the rural site hunger occurs, for the most part, in the lean season, or when harvested grain runs out. Households' stocks of grain from their own farms, from harvest labour, or indeed from alms and charity, see them through part of the year. Even though these households may have access to grain loans from landlords or shopkeepers, they are unable to fully stave off hunger while they make arrangements for alms or loans. There are also some households (such as the *Kumhar* or potter household mentioned above) who rely on frequent purchases of flour, much like a poor urban household. These households can experience hunger regardless of the agricultural cycle, because they rely entirely on cash purchases from retail outlets for their staple food.

Although urban households are somewhat better off than their rural counterparts in terms of work opportunities, the poorest here also experience hunger at least on some days. In fact, their risk of hunger is spread more evenly across the year with hungry days occurring due to the lack of cash on a day to day basis. Strikes and transport shutdowns due to the closure of CNG stations is an often-cited trigger for a hungry day. While the rural households can call upon landlords for alms or credit in terms of grain, urban households need to borrow food from their neighbours. For many of the poorest, the availability of the main staple is sufficient to stave off hunger on most days. Moreover, demand for the staple appears to be highly inelastic – that is, changes in prices or incomes have a minor effect on the consumption of the staple food. The idea of need as being related to physical effort is entrenched in the rationalisation for coping strategies at moments of shortage. Women in the urban as well as the rural site say, for example, that when food is short they ensure that the men have enough to eat because they need to go out to work and expend energy.

When urban and rural informants say they had 'nothing to eat', further probing often reveals that they had the main staple – *roti* (wheat flour flatbread) – but nothing to accompany it with. Hunger, therefore, is closely associated with frugality in terms of the lack of dietary diversity (and micronutrient deficient intakes). The use of chutney made with salt and raw chillies, and sweetened black tea, is common in rural and urban sites as accompaniments. Milk, if available, might be added to the tea. Those who need to purchase milk say that the more money they have the milkier the tea. These accompaniments are used simply to make the simple *roti* more palatable. In the rural site there is also the use of *lassi*, which as noted above, can be available free of cost from neighbours. It is well-understood that these accompaniments are of relatively little nutritional value: '*roti* and *lassi* fill the stomach but the body remains weak' (Mr R, an adult male FGD participant in Dadu).

When poor households do actually cook, they generally use hydrogenated vegetable fat (vegetable *ghee*) rather than oil because the former is considerably cheaper. Informants in both rural and urban sites suggest that oil is healthier than vegetable *ghee* but they are constrained by affordability. Potato is the main cooked accompaniment where available, in both rural and urban sites, because it is relatively cheap and easy to make into a curry that can feed many mouths. According to Mrs P, a rural informant, 'we eat potatoes every day and often curse them and pray that they burn away, but we still eat them again'. We did not hear any complaints about the price of potatoes, even though there was a spike near the time of the survey in 2013.

This is probably because the price increase was short-lived, and also because the poorest informants purchase meagre quantities of low grade produce. Potato curry, therefore, is just a step above chilli chutney or sweetened tea. It makes the staple more palatable, but is of limited nutritional value. For some of the better off households in our sample, eating potatoes was a response to an adverse shock, while the poorest mentioned potato curry as something they might have on a good day, in place of chutney, sugar or *lassi*. Women who would normally cook vegetables report that they often make do with chillies and forego preparing a meal if male household members are not eating at home.



Picture 4: A woman cooking in rural Dadu. The meal consists of *saag* (a local leafy vegetable) and *beeh* (lotus roots) cooked with green chillies, onions and tomatoes along with *roti* (flat bread). Photo: Collective team

While rural households have occasional access to seasonal vegetables and *saag* free of cost, in general they, like their urban counterparts, say that they eat fresh vegetables (other than potatoes) if they have more money. Other foods that people consume when they have money include milk, eggs, poultry, fish, meat, and fresh fruit. Most of these foods are also cited as the preferred diet of well-off households. The hierarchy of foods, both in terms of what the poor themselves eat when they have money, as well as ideas about what the well-off eat, corresponds well with ideas about a nutritious diet. There are some 'good times' foods such as rice (in place of wheat flour) and desserts which are mentioned as treats which do not have any additional nutritional value. It is also understood that the well-off often eat things that are not good for them, particularly in the urban site. There is a view that food consumption is as much about income as it is about lifestyle. Middle and upper class families 'whose women do not cook, and tell men to get cooked food' are regarded by some of our poor informants as having acquired Westernised habits.

Breakfast among the poorest often consists of tea with biscuits or rusks. This is the case in both urban and rural areas. Children and men often snack on *pakor*s. For the somewhat better-off, breakfast, might consist of fried flat-bread (*paratha*) with milk or milky tea, and eggs. Some of the poor say breakfast consists of *roti* with left-over curry from the previous night, but the poorest often do not have any curry, leftover or otherwise. In some households the main cooked meal is eaten in the afternoon, while in others this status is reserved for the evening meal when men are present at home. The main meal is when effort is made to cook a curry if possible and on days when money is tight, many said they add more water to curry so that a limited quantity feeds more people. Poultry and meat are consumed rarely by the poor and even middle-class informants report having it only once a week.

### 5.3 Local institutions of social protection or support

This study, in line with much work on food security, takes the household as a natural unit of consumption and welfare. Intra-household inequalities in allocation and consumption have been widely acknowledged for a long time, and norms about food sharing and the sequencing of taking meals have been studied in detail. Our case studies also show gender patterns in intra-household food consumption – many of them seemingly enforced by women in favour of children and men. We also heard clear voices in rural and urban sites alike about the special food needs of women, in the context that they care for everyone else.

The idea of the household as a natural unit of consumption and welfare, or an immutable primary form of support for individuals, needs to be questioned on grounds other than intra-household allocation too. While our study confirms the importance of the household as a node for food consumption and management, a closer view of the actual eating and food sharing arrangements in which individuals are involved reveals much fluidity across household boundaries. This is particularly true of households and individuals surviving on the margins of food insecurity and hunger. The food-insecure urban informant, Mrs M, who sends her children to eat at her mother's house whenever there is not enough to eat is typical of the way in which the household breaks down as a unit of food consumption at moments of crisis. At the other end of the spectrum, in the same locality, a relatively well-off informant, Mrs G told us that between the first and second rounds of the survey her household composition had changed as she had invited a poor niece from the village to come and stay with her. The girl did household chores and was looked after in terms of food and other needs.

Households actually break down as social units too due to economic stress, and at times the break-up of households due to other reasons leads to severe economic stress and food insecurity. Our small sample happens to have ample examples of both such processes. There were several instances of marriages having broken down and women having returned to their parental homes. There were also cases of men having taken on second wives and abandoning their first wives and their children.

Apart from immediate relatives the main sources of informal local support in the face of adverse food shocks came from neighbours in the urban area, and the wider kinship group as well landlords and patrons (particularly the *Raees*) in the rural site. Some of the food sharing between urban and rural neighbours is not a response to an adverse shock, but simply an institutionalised form of circulation. We have already noted the role of the free circulation of *lassi* and *saag* in the rural site. It is also common in both sites for small quantities of cooked food to be sent to neighbours, particularly if something special has been prepared. There may be a religious element to such circulation, as food items that are prepared for special events are thought to bring blessings if shared with neighbours and relatives and there may be a seasonal element as well since charitable giving increases in certain religious months such as *Muharram* and *Ramzan*. In any case, some of the sharing of cooked foods is part of reciprocal exchange between people of the same status.

This form of reciprocal exchange does often overlap, however, with charitable assistance. Since the motive of the giver might be religious blessings in both such cases, the boundaries between the two can be blurred. The difference is that in the case of charitable assistance the giver and the receiver are both aware that reciprocity is not required. If the recipient is undergoing transitory distress there may be an implied understanding that in time she or he will be counted among peers again.

Beyond a point, however, the hierarchy of status between the giver and the receiver is clearly understood in terms of dependence and social obligation. While the circulation of food (particularly wheat loans, or even charity) in the rural area makes up for relative food insecurity, it is also seen as a social cost. Mrs K, a rural-urban migrant reflected on the availability of the staple in the village compared with greater insecurity in the city, 'this (urban) hunger is a blessing compared with being fed but also humiliated in the village by patron'. Within the rural site, Mr C, a mason, reflected on the relative food security of beggars in the following terms: 'tenants and labourers can't beg, can they?' In the urban site too some hierarchical food circulation was observed, for example between landlords and tenants, but this was much less frequent or institutionalised than in the rural setting.

Just as there is some overlap between food circulation between peers and charitable giving, so there appears to be a grey area between charitable giving and begging. At the far end are professional beggars who are candid that living off alms is their traditional occupation. We

have at least one such case in each of the two sites. Then there are those who are very poor or have fallen on hard times, and regularly depend on alms for their food consumption. Children play a key role, as in the case of fluid household boundaries, in the circulation of food even with respect to charity and alms. In the urban site children going over to houses of neighbours and asking for any spare food is considered less problematic from the point of view of social acceptability than adults doing the same. This underscores the trade-off between food security and self-respect noted with regard to the rural site above.

Several dimensions of informal sources of food support became salient in our fieldwork sites. The general social arrangement for the circulation of food forms an institutional basis for food support. This circulation is at times strictly transactional, and at times part of a system of reciprocal exchange. Giving and receiving among peers too can have an element of informal food support, as peers might face idiosyncratic adverse shocks. The religious dimension to such food circulation appears to blur the boundaries between peer exchange, charitable giving and alms. An implied moral obligation towards children also seems to serve the same purpose. Professional begging is sited at the far end of the spectrum with hierarchical dependency somewhere in the middle.

While these arrangements are active and crucial in providing support to vulnerable individuals and families, there is also much evidence that the hierarchy implied between givers and receivers is not fully internalised. It is clear to all that receiving leads to some loss of status and respect. One way of understanding the relationship between poverty, hunger and status is through the prism of social interaction. While social interaction was, clearly, a key source of informal food support, it was also clear that poverty led to the loss of the ability to interact with peers. There was awareness of the tension between moral propriety – i.e. retaining respect – and wealth as complementary resources in social interaction. According to one young man in the urban site, where crime was otherwise rife, ‘not everyone will opt for theft’ in response to poverty. This was similar to statement by a labourer noted above about begging. The trade-off between moral boundaries and income came up again in the urban women’s FGD where it was revealed that many families encourage young women to take up sex work in order to relieve poverty. This was essentially an urban phenomenon where social costs to families could be avoided due to the relative anonymity allowed by the city. Whether ‘respect is more important than food’, or ‘respect comes to someone who eats good food’ remained a moot point in our FGDs.

Formal systems of social protection and support were in evidence in our survey sites. There were beneficiaries of the national cash transfer programme – the Benazir Income Support Programme or BISP – in both sites, particularly the rural one. In the urban site, as elsewhere in Karachi, the poverty scorecard survey used for identifying poor households has serious problems in terms of coverage and accuracy. Even if the survey had been conducted accurately in the urban site, it is likely that the proportion of beneficiaries would have been lower than the rural area, simply due to the higher overall poverty levels in the latter. Be that as it may, our own case study respondents, some of whom were selected purposively because of their poverty, were mostly not covered by the BISP in the urban site.

There were multiple ways in which BISP money – Rs.1,000 (US\$10.50) monthly in 2012 and 1,200 (US\$11.40) in 2013 – was perceived by the beneficiaries. It was common practice for poor households to eat relatively well in the days following the receipt of the cash. Women compared BISP cash with private borrowing rather than charity. It was commonly heard that ‘BISP is good because we do not have to return it’. This observation is important because of an often-cited concern that the cash transfer might create dependencies such as those related to charity. In fact, a family normally dependent on begging said that they did not beg at the time when they received their BISP cash. Moreover, our observations about charity, alms and begging show that creation of dependency is perhaps not an unintended consequence of vertical informal social support. Rather, personal dependence and the



creation or maintenance of hierarchy might be considered integral to private transfers. Some BISP recipients, particularly in the rural site, likened the programme to a government salary or pension for women – a significant fact given the high value and status attached to government salaries. Women also expressed the view that the money belonged to them and not to the men of their households.

Many of the rural residents and some urban informants, who had been displaced due the floods, had also been recipients of the one-off flood compensation transfer known as the Watan Card. The value of this transfer varied but it ranged from Rs.20,000 to 80,000 (approximately US\$225 to US\$950). This was generally controlled by men who made bulky purchases including durable consumer items using the cash. Early instalments were used by some households to replenish their grain stocks which had been washed away in the floods.

## 6 Prices, inflation, economic changes and responses

Changes in food prices at the national and local levels have been discussed in Sections 2 and 3 respectively. In the previous section (Section 4) we described the nature of the food economy in the rural and urban fieldwork sites, and the interaction of the poor in both sites with markets and prices. This sets the context for an understanding of the impact of changes in food prices for various segments of the poor. We found that the rural site was characterised by the circulation of food – particularly the staple – through transactions which were mostly not denominated in prices. The same was true for some of the poorest in the urban site that relied on charity, alms and begging. Moreover, as we have noted in Section 2, while food price inflation has been high in the time period of our fieldwork, the type of volatility which marked the 2007-2009 period is absent and food price inflation has been in line with or lower than overall rates of inflation. It is in this overall context that we move on, in this section, to describing and analysing fieldwork findings with respect to local perceptions of inflation and its causes, changes in the food economy of case study households during the study period (particularly from Year 1 to Year 2), and coping behaviour.

### 6.1 Local perceptions of prices and inflation

A methodology such as the one used in this study is valuable for understanding processes, norms and relational issues. We rely on individual recollection of events (prices and changes in prices) and responses (changes in consumption). It is important to take into consideration, therefore, factors which might influence individual perceptions of economic variables.<sup>26</sup> Individual perceptions about prices and inflation are shaped at least in part by exposure to the media and peer group discussion. While some individuals keep an active account of prices of various commodities, and their own consumption behaviour at different moments in time (including, in response to price changes), many others only have a general sense of both prices and their own consumption responses. There is also much processing of these experiences, in terms of recall, through discussion among peer groups. Exposure to the media implies that news as well as analysis about prices and inflation, their causes and their impact can influence how individuals and their peer groups make sense of economic information.

We have shown in Section 4 that while market transactions are the norm even in rural areas, there are important parts of the food economy of the poor that are based on circulation which

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<sup>26</sup> An alternate method, commonly used, is the use of larger sample surveys to solicit information about the level of consumption and expenditure on various commodities, and then to measure responses to price changes by comparing consumption levels at different prices (usually over time).

is often not denominated in prices. Among rural informants, total reliance on the purchasing of the main staple food was a rarity. Households maintained their own stocks of grain from their farm produce or harvest labour, and relied on borrowing of grain to meet the shortfall. In the urban site, by contrast, there was almost complete reliance on price-based transactions, with the exception of those who managed to subsist on alms and begging. Among non-staple food items, some such as potatoes, cooking fat, sugar and tea are almost universally purchased from local retailers, as are other higher value food items such as fresh vegetables, legumes, meat, and fresh fruit.

Perhaps not surprisingly, rural perceptions about food price inflation and its impact are mostly with respect to those who earn salaries and are hence active purchasers from retailers. The rise in prices is compared immediately, in the rural site, with the ability of salaried employees to keep up. It is generally believed that while food prices have risen in the last two years, government salaries have more than kept up with the change, as have casual wages rates.

In urban areas the discussion about prices and inflation was more nuanced. Here too, it was believed that salaries of government employees had more than kept up with inflation. It was also acknowledged that wages of other workers have also risen. But several informants, including one whose husband was a salaried employee, used the term '*barkat*' translated roughly as goodness or blessing, when referring to wage and salary increases. They said there was no *barkat* in increases in incomes, as prices rose faster. These perceptions about prices, however, were almost always expressed in very general terms, and not with reference to the price of any particular food item. The exception was milk, about which there was a general perception in 2012 that the price had risen very rapidly, with complaints of unaffordability. This was, indeed, a period when milk prices had risen sharply.

Reasons for prices and inflation were also expressed in somewhat general terms – and there is cause to suspect that the analysis for economic trends offered in the media was widely accepted and reiterated. Macroeconomic events such as rising world oil prices as well as national economic policies such as taxation were considered by a number of informants as being responsible for price rises. In fact, petroleum prices fluctuated in this period but were not on a consistent upwards trend. There were also no significant changes in tax policies, even though some were discussed in the media from time to time. Some informants held the view that prices increased due to the knock-on effect of prices of inputs, and copycat behaviour on the part of traders. This comes close to the understanding of general inflation in Pakistan being, at least in part, a monetary phenomenon, with governments resorting to borrowing due to their inability to balance budgets.<sup>27</sup> Interestingly, rural informants who did express opinions about price rises did try to link these to supply issues – such as the rise in agricultural input prices or the loss of crops due to floods.

The regulatory aspect of government was also thought to be responsible for high prices and inflation. While some informants said that the government wilfully fails to regulate traders and retailers (and profiteering), others felt that the problem lay elsewhere. Traders and retailers were just too powerful and the government too weak. Some urban informants felt that criminal mafias extorted money from shopkeepers, traders and factory owners who then passed on this cost to the consumer. Political motivation was also held responsible for inflation quite widely. In 2012 many of the informants had said that the incumbent government did not care for the poor and inflicted hardship upon them. Following elections and the change of government in May 2013 virtually the same accusations were levelled against the current incumbent, to the extent that some informants now praised the previous government for having looked after the poor. These sweeping populist statements are almost

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<sup>27</sup> Paradoxically, inflation in this situation is not so much due to rising taxation, but due to the inability of the government to raise tax-GDP ratios to those required for balanced budgets over the long term.



certainly traceable to opinions expressed in popularly watched and combative television chat shows in Pakistan.

We have already discussed coping mechanisms in the face of adverse economic shock in Section 4 (with respect to formal and informal social protection and support). It was more difficult to elicit engaged responses to questions about food price volatility. This was due to at least three reasons. First, as shown above, many of the poor do not rely on price-denominated transactions for the acquisition of the main staple. Second, food price inflation and volatility has not been particularly high in Pakistan in recent years. Third, and relatedly, given that food price inflation and volatility have not been historically high in recent years it is difficult for the poor to separate out the effects of prices from other adverse (or positive) shocks which they faced. While acknowledging the importance of prices, Mrs B, an urban informant told us: 'I have enough troubles of my own to bother about this inflation'. Those who did offer views on responses to price shocks said that some people had changed their professions and occupations to keep up with changes in wages in prices. They also said that households reduced non-food expenditures such as those on schooling, clothing, travel and social visits in response to high food prices. In our actual case studies, however, we were not able to find specific examples illustrating and elaborating these responses. We believe that these responses come from a generic stock of answers emerging from peer group discussion rather than directly identifiable experience. The remainder of this section presents, therefore, a description and analysis of economic shocks faced by the poor using our case studies.

## **6.2 Cases of conspicuous change**

Out of the twenty case studies (ten each in the rural and the urban site) we identified nine (five in the urban site and four in the rural) who had faced conspicuous economic changes in the period between the first survey and the revisit. The nature of the economic change was substantive and idiosyncratic in each case – related to life cycle events, ill-health, accidents, family breakup, and eviction – and dominated the impact of general economic conditions or even local economic circumstances. The fact that so many of our sample households had such conspicuous economic changes does not mean, of course, that we can make any general statement about the prevalence of idiosyncratic shock in the population. Our work is of a qualitative nature and the sample does not represent the population in the statistical sense. Given the focus of this study on poor, food insecure and vulnerable households, the relatively high prevalence of households with conspicuous shocks is understandable.

### **Cases**

There was one case of a rural household (that of Mrs Q) that underwent a significant improvement in its economic position and food consumption between the first survey and revisit due to the acquisition of a government job. The household was very poor and had lived on the premises of the local school for several years after their house was washed away in rains. At the time of the first survey Mrs Q's husband worked at a bus terminal in Hyderabad (a major city located over 3 hours from the village by road), and Mrs Q would buy rations when he was able to send cash. At the time of the revisit Mrs Q's husband had been recruited in the police and was on training prior to deployment. Although his initial salary was mostly spent on boarding expenses during the training period, the household had started to obtain items on credit from retailers who felt assured that they would be repaid. They were already eating better as a result. According to Mrs Q their social standing in the community had risen – in the previous year she had said other villagers looked down upon them because they did not have their own home and were squatting in the school. In the second year she reported that those who previously shunned her were eager to resume social ties with her.

In three of the rural cases livelihoods were under stress due to local political factors which combined with ill-health and life-cycle events to cause significant economic downturn between the first interview and the resurvey. A *Manganhar* (drum-beaters) household has progressively lost its clientele due to recent religious injunctions by local clerics against celebratory music. The main earner was an elderly man who was unable to do other forms of work. The households of Mrs P and Mrs U had both suffered decline over the years due to conflicts with dominant landlords, in which household members had been implicated in costly court cases. Mrs P's household had seen a major decline in fortunes as the landlords had been able to attach her brother's pension from his government salaried job in a case where damages were awarded against him. Mrs P's mother had been injured in a road accident, in the meanwhile, and the household had to raise cash for her treatment. Mrs U's household had been involved in a dispute with the landlords over post-harvest grain division some years ago and had lost land they had cultivated as tenants. Her husband had then resorted to various types of labour including chopping trees for wood. Recently, he had injured his eye and was no longer able to work as a woodcutter. While the *Manganhars* had been reduced to begging for alms from their neighbours, Mrs P and Mrs U borrowed grain at a high premium from local retailers.

In the urban site we had two poor and food-insecure flood-displaced cases for whom conspicuous changes occurred between the first survey and the revisit. Mrs J's household was struggling to make ends meet in 2012. She had had a relatively better life in the village before the flood but had arrived in Karachi in penury after her household lost its home and assets. In 2012 we found her reliant on a number of families for food. Such was the dependence that she reported that she only cooked food herself when her neighbours happened to be away. Her husband did not work, and her son had been recently dismissed from his job at a CNG station. She had said then that her landlord, who was also her uncle, was not happy with her household, and they had not been able to keep up with rent payments. She feared that she might be evicted. In the following year we found that she had, indeed, moved because her landlord had evicted her. The household could not find a suitable place to live in the same neighbourhood and had moved far away through the help of a friend of her husband who was from the same tribe but not a close kin. Mrs J's family had an on-going dispute with their immediate relatives and this was one factor in their relative marginality. In the new place they no longer had access to alms since the neighbours did not know them. They subsisted by peeling garlies at home.

In 2012 we had met Mr O, a flood-displaced young man who had no home but slept in a shop. The shopkeeper and others helped him with food, and he worked as a labourer, sending most of his wages to maintain his family in the village. Mr O's own marriage had broken down because his father-in-law said that he was not sending his daughter to live in poverty. In 2013 we found that Mr O had sent for his family from the village and they now lived in a rented home in the urban site. He no longer had to send money home, and his brothers who had joined him now earned in the city. They remained very poor but now he ate at home. The breakdown of his marriage had been formalised in the meanwhile, and he was now divorced.

When we met Mrs T, a migrant from Rahimyar Khan, in 2012 she was already having difficulty making ends meet. She told us that her husband who had used up their savings and taken loans to set up a barber shop in a nearby locality had to abandon that business because of constant extortion demands from local thugs. Customers would often refuse to pay and bullied him when he demanded payment. He had started driving a rickshaw on hire. In 2013 he had given up on the rickshaw too due to frequent CNG closures and hence difficulties in meeting the rental charge for the rickshaw. He had become violent and beat Mrs T if she asked for money for rations. Her poverty had increased, and if food was short the children were sent to her mother's home while she herself was fed by the neighbours who knew about her situation.

Mrs B who had seen somewhat better times was relatively better off than Mrs T, but had suffered a breakdown of her family between the first survey and the revisit. In 2012 she had reported that her husband worked as a driver, lived at home and contributed to household expenses. The husband's mother and then his sister had been abandoned by their respective husbands and had moved in with them. By 2013 Mrs B discovered that her husband had been seeing another woman whom he then married and moved in with. Her husband's brothers who used to formerly contribute to household expenses now did so only sporadically. Mrs B said her husband's mother and sister had started to harass her over domestic matters, and she feared that they might be trying to get her to leave.

Mrs S was one of our poorest informants in the urban site when we met her in 2012. Her idea of 'good food' then was cabbage and chicken offal, and she bought small portions of cooked food because it was more expensive for her to cook such tiny amounts. Her husband had died and her sons worked as casual labourers. She said she was insecure about her home: 'if we cannot pay the rent we will live in a tent'. In 2013 her situation had deteriorated further, and she said they ate worse. Her eldest son who was the main earner had been involved in an accident at his worksite and was unable to work for some time.

### *Discussion*

These cases highlight a range of inter-connected factors which led to significant change in the economic and food security situation of our informants. General economic conditions, inflation rates and food prices were not conspicuous factors in these changes at least from the subjective point of view of these individual and households. Life-cycle events such as old age, ill-health, and accidents all contributed to the worsening of the situation of rural as well as urban households. Local political factors, such as conflicts with dominant landlords, or extortion demands from local thugs, were some discrete events, at least in these cases, but were manifestations of longer processes of social marginality. The breakdown of family ties manifested itself through higher incidence of domestic violence in one case, dissolution of marriages, and disputes with close relatives were at times caused by economic shock, and in turn exacerbated the impact of shock. Social status was gained through access to a salaried job in one case, and in another case steady income from government was lost as a result of a conflict with local power-brokers. Migration was both a response to extreme hardship, led to the perpetuation of bare survival, but also at times led to the consolidation of a household and some economic improvement.

## 7 Future farmers

### **7.1 Background**

This section covers the 'special topic' for Year 1 which answers the broad question: 'what are the prospects for young people, and how does agriculture feature among their livelihood options?' This reasoning stems from the following question: given high prices of food over the last few years, is it possible that agriculture could become a favourable livelihood option for young people, especially those residing in rural areas? To explore this topic we asked our respondents, in the rural as well as the urban site, about livelihood prospects of young people, the aspirations young people hold and what their parents want for their future, whether agriculture is viewed as a reliable and attractive livelihood option and if preferences with regards to occupation have changed in the recent past. In the urban areas, the research questions also try to probe whether agriculture is seen more favourably in light of food price volatility as it ensures a supply of food even in times of food price crisis and shortages.

## 7.2 How is agriculture viewed as a livelihood option?

While the economy in the rural site does benefit from high prices of agricultural produce as it increases investment by large landowners such as the *Raaes*, the extent to which high food prices have translated directly to increased income for poorest households involved in agriculture in the rural site is not clear. Most agricultural households are either tenant farmers or agricultural labourers and they earn in kind (wheat) rather than cash (for more details on grain acquisition and livelihoods refer to Section 5). A common belief present in our rural site was that when prices of agricultural products increase, individuals further down the supply-chain such as the middle-men and traders benefit rather than the growers. In the period of high food prices, there have also been increases in the price of agricultural inputs such as fertiliser and pesticide, and since most farming contracts are on the basis of sharecropping whereby the landowner deducts cost of inputs from final product, the returns from farming have not necessarily increased even if the selling price of crop has risen. For agriculture to be a more favourable option, the returns from agricultural employment have to be greater than returns from other occupations.

Agriculture is not seen as a reliable source of livelihood especially in the rural site – only one crop is grown annually and there is deficiency of water. Farmers are thus unemployed for half the year and have to supplement their income by taking up employment as daily wage labourers either in/around the village or in another city. Moreover, farmers are paid in kind and even though farming guarantees a stock of grain and hence food security, as the economy transitions more towards a cash economy, grain is not adequate since some services (e.g. health) require a household to have cash.

Agriculture is also thought to be dependent upon exogenous shocks such as weather or natural disasters especially following the floods and heavy rains in 2010 and 2011 and as prices of crops fluctuate income from agriculture is not stable. With increased mechanisation, returns to labour in agriculture have fallen, and there was a general feeling in the rural site that income earned from agriculture had fallen especially for agriculture labourers. Even for those who have small landholdings, agriculture is increasingly seen as unfavourable as there has been a decrease in the amount of land owned over generations and as family sizes grow there is less land left for an individual to farm on leading to underemployment.

### *Others jobs are preferred*

*I prefer a government job over (owning and working on) land because it is difficult to cultivate land as one has to sow the seeds, water it, harvest it and eventually there is not much benefit.*

(Mrs F, whose sons are *rickshaw* drivers in Dadu)

As Mrs F points out, returns to farming are perceived to be low and farming is considered to have no 'benefit'. Agricultural work is considered to be tough and time-consuming as multiple stages of work are required. Agriculture also involves being tied to a landowner. Instead, there is a preference for government jobs in Dadu and similarly for salaried jobs in Karachi and they are viewed as a route to a better future. Such jobs guarantee a salary at the end of the month unlike farming which is seasonal and earning is vulnerable to shocks. When asked about aspirations for their children, a common response from our informants was a job for their sons so that 'they are free from cultivating land'. Parents wanted their children to get educated and become 'officers'. In the urban area too farming is considered a profession that 'ruins lives' and is associated with restricted mobility. As put by one respondent: 'if they [our children] pursue agriculture they will remain uneducated and ignorant'. Even if land cultivation offers money, it is viewed as the least preferable option as it restricts development. An inverse relationship thus exists between education and farming. Education is also seen as a way out of agriculture as it increases the likelihood of receiving a job.

However, the poor felt that this was not an option for them as they are unable to afford to send their children to school and for many the reality is that a farmer's son remains a farmer.

In the urban area, a common feeling was that life in Karachi is better than life in a village especially among respondents who had migrated from a rural area in the last few years. While life as a farmer guarantees grain and hence food security whereas in an urban area there is a greater risk of going hungry, farming and rural life is considered restrictive. Some felt that life in a city was less risky in terms of going hungry because many different work options were present whereas in a village economy there is greater dependency on agriculture and more exposure to covariate risks i.e. if a crop fails one season, then everyone goes hungry. Urban labourers were also thought to be better off than farmers because 'whether it is hot or cold the farmer has to complete his work'.

For agricultural employment to become preferable there has to be an increase in returns relative to other occupations. As mentioned earlier, increase in price of agricultural outputs leads to more investment in the rural economy but the impact is not limited to agriculture alone and extends to off-farm job creation as well. For example, in the rural site, the *Raees* was constructing a house which had increased jobs for daily wage labourers. Moreover, there are other sources of positive shock besides output price increases which affect the rural economy. In the case of our fieldwork site, the election of the *Raees* as a legislator had improved the chances of gaining government employment which had improved the livelihoods of many households and had also incentivised investment in the education of children so they could move out of farming and obtain government jobs.

### **7.3 What is the future for young people in these communities?**

For the young people interviewed in our study, a 'good life' means a comfortable house and a good education which in turn helps achieve a better life. They want a job which can earn them respect and progress in life. For some, having money is the most important as with money you can get a good education, a good job and respect. Across the sites, a common response received was that young people want to move away from traditional occupations and be in a profession different from their parents. As discussed earlier, the young do not aspire to be farmers as they feel agriculture to be an occupation associated with lack of education and one without a future.

However, young people have to face many barriers in realising their future aspirations. In the rural site, government schools are non-functioning and private education is expensive and so the poor cannot afford to send their children to school. In Karachi, while there are more households which have children going to school, the poorest are left out due to unaffordability or because the young have to take up employment to contribute to household incomes. Apart from education, it is felt that there is a lack of skills and training which makes finding stable employment difficult. In the rural site, government jobs are usually available only to those who have access to the *Raees* whereas in the urban site a government job is obtainable only if officials receive a bribe. Among the male youth in Karachi, hostility towards other ethnic groups is seen as they feel they are discriminated on the basis of their ethnicity which curtails them from getting a good job or even better grades in board examinations.

# 8 Local accountability for hunger

## 8.1 Background

The 'special topic' for Year 2 was 'Food Rights and Accountability for Hunger'. The objective of this research is to contribute to the debate on right to food and accountability by asking the following questions at the community level (King *et al.* 2014):

- How accountable does the food system look from the bottom-up – from the perspective of people who spend more on food than on anything else, whom food price rises are most likely to hurt?
- Do people feel they have a right to food? If so, what does that mean?
- Who is responsible for ensuring that right is made real? How are they held to account?

For more details about the concept and approach towards this topic refer to King *et al.*, 2014. While there is debate about social protection and nutrition in the public discourse in Pakistan, there is an absence of discussion on 'Right to Food'. At the moment, 'right to food' is limited to a statement in the constitution which says that the 'State shall provide basic necessities of life such as food [...] for all such citizens, irrespective of sex, caste, creed or race, as are permanently or temporarily unable to earn their livelihood on account of infirmity, sickness or unemployment' (National Assembly of Pakistan 2012). As discussed in Section 2, a Ministry for National Food Security and Research has been created in the federal government which is responsible for coordinating and providing oversight to food security policies and programmes across different sectors and levels of the government. The food security policy, which has still not been approved, emphasises more on agriculture and supply issues and less on improving food accessibility. The government collects price data on a regular basis and keeps an eye on price changes in order to take the necessary action. However, the focus of the government's price regulation system (done through local administration as discussed in Section 2) is not food security but to make sure there are not any shortages of essential food items and retailers are not making excessive profits.

While in our research sites there was no explicit mention or awareness of the price control system, respondents did feel that food price inflation takes place because retailers and traders charge high rates to make large profits at the expense of the consumers. The government is not held responsible for lack of price regulation. For instance when Mrs T, an urban informant was asked about the reason behind high prices, she said: 'The large shopkeepers are the reason behind high prices not Zardari [the former President] [he] has nothing to do with it'. When respondents were asked how inflation can be controlled, many suggested a force which can control shopkeepers without there being an acknowledgement of the fact that such a mechanism already exists.

## 8.2 What does the right to food mean in our research sites?

There is consensus among respondents that everyone has a right to food regardless of age, gender and social status. Why a right to food exists, however, depends on the individual being referred to i.e. a man, woman or child. It was commonly understood that men have a right to food because they go out to earn and provide for their families, women have a right to as they take care of the household and children and if they do not get sufficient food an impact will be felt on others she is responsible for, and children have a right to food because they are young/innocent and cannot fend for themselves. However, the 'right to food' was not understood by our respondents as a specific legal entitlement individuals have as citizens of a country, but was interpreted as a more general concept.

When asked who has the responsibility of ensuring individuals are not hungry, God, household, community and the government were identified. For some *Allah* is responsible for ensuring there is enough food for individuals but many were not completely fatalistic and said that even though God is responsible for the provision of food, individuals cannot completely rely on his mercy and need to make an effort to ensure they (and those they are responsible for) are fed. At the household level, there is a gendered division of roles whereby the husband or other male members have the responsibility to provide for women and children and in return women carry out care duties and look after their husband and their children. As Mrs Z, an informant in the rural site put it: 'whether one begs or earns, it is the responsibility of the head of the household to feed his family'.

There were not many responses which held the community or neighbours responsible for ensuring that no one in their neighbourhood was going hungry, since everyone is poor and cannot be expected to provide for others outside of their own household. Some responsibility was attributed to the government and/or to the representatives of the government such as the *Raees*/legislator in the case of Dadu. As one of our rural respondents put it, the *Raees* is not responsible for providing for people because of his own will but because he gets paid by the government. There was a sense among respondents that since the government was voted into power by them, it had the responsibility of ensuring there is adequate food available for them.

### **8.3 Accountability for hunger**

Even though there was an understanding that the state should be responsible for providing food to everyone, there was lack of clarity with regards to how it can be held accountable. Only one informant alluded to the local government machinery (the district government) as being responsible for ensuring there are no food shortages and hunger. The media was often cited as a tool through which the government can be made aware of their responsibilities. This is not surprising as the media has in the last few years developed an agenda of highlighting the elected government's failure. A few respondents thought protest was the best way of getting the government's attention to force it to address the problems of the people. Some believed that there should be an authority established to check prices so that shopkeepers and traders are not able to earn high profits at the expense of consumers.

There was also a feeling that the government's responsibility should be limited to creating an environment where jobs are available and there is employment for all, so that individuals are able to provide for themselves. However, a sense of helplessness was prevalent among respondents as they felt that because of their poverty they lacked the power to be able to voice their opinions. According to one of our household interview respondents in Karachi it is better to stay quiet and at home and work hard to earn income rather than try to hold someone accountable for hunger. There was also some resentment towards government officials, especially in Karachi, as they were viewed as corrupt and only interested in providing for themselves rather than the poor.

Our respondents were not able to identify any systems that exist which ensure a right to food and those that can be held accountable for hunger. When asked about NGOs or charity organisations, a common response in Dadu - where there was great NGOs activity following the floods - was that while NGOs help during emergency situations they could not be expected to be present at all times and certainly not be held accountable for hunger. In Karachi, where many charity organisations are active in providing food for the poor, in our site such charities were not operational.

## 9 Conclusions and recommendations

In this section we offer concluding observations based on our reading of the secondary data and the policy environment (Section 2), and our analysis of the purposive qualitative survey of poor and vulnerable individuals and households in 2012 and 2013 (Sections 3-7). We then address three areas of recommendations emerging from this report.

### 9.1 Concluding observations

The main purpose of this study was to examine the impact of food price volatility which emerged as a major concern in the global economy on food insecurity faced by poor and vulnerable individuals and households. The primary source of insight here is voices at two 'listening posts', one each in a rural and urban area of Pakistan. Besides food price inflation and volatility, this study also obtained detailed information on social networks, coping mechanisms, the functioning of local markets, food access and acquisition arrangements, sources of shock, as well as on two special topics: future farmers and local accountability to food insecurity.

Pakistan was, indeed, one of the countries adversely affected by the food and fuel price crises that hit the global economy in 2008-2009. Partly as a result of those crises the country's economy went into a downturn. Because the food price crisis affected Pakistan through shortages and local price spirals in the main staple food (wheat flour) the policy response too was focused on preventing future shortages and price spirals. Our review of the secondary evidence on food price inflation and volatility concurs with the findings of international organisations and the FPV global report that while high food prices remained an issue of policy watchfulness in Pakistan in 2012 and 2013, food price inflation was below general inflation, and suffered from relatively little volatility. Pakistan, therefore, might be regarded as one of the countries where price volatility had been brought under control. These findings from secondary data were confirmed at our listening posts. While there were complaints about economic hardship and general inflation, there were few voices raised about prices of specific food items.

This does not mean, of course, that food insecurity was not a concern in Pakistan. Rather, it might have been the case that volatility was dampened through higher price levels, particularly for urban consumers. Our qualitative research elaborates on the findings of representative sample surveys which show that large segments of the population consume far fewer calories than the required norm. We found that poor and vulnerable individuals and households experience hunger at least on some days in a year. Moreover, many of the social and economic arrangements which operate in rural and urban communities can be seen as informal systems for mitigating the risk of hunger. These systems succeed for the most part in preventing prolonged periods of hunger for individuals and households, but do not always prevent shorter periods of hunger. Hunger and food insecurity, in any case, are seen by the poor in terms of not having enough bread to eat. It does not extend to the absence of dietary diversity or the inability to eat nutritious foods. Eating bread with very simple and non-nutritious accompaniments is a norm that applies to a wide segment of the population some or most of the time.

Salient economic and social arrangements which help to mitigate the risk of outright hunger for prolonged periods are what we have discussed using the terms 'food economy' and 'informal social support'. These arrangements also reduce the dependence of many of the poorest on price denominated transactions, and work alongside government policies for controlling food price volatility to ensure that food price volatility does not emerge as a conspicuous political issue. By 'food economy' we refer to the primacy of food access and acquisition in the livelihood strategies of the poor. In agricultural rural areas food economy arrangements include self-production, in-kind wages, non-price denominated exchange, and



general circulation of food items in reciprocity, vertical patronage and begging, as well as food markets. In urban areas too, where there is much greater reliance on markets, there are significant numbers of people who routinely or often rely on the non-price denominated circulation of food items. We found that there was an overlap between gift exchange of food between peers and assistance to those who may face temporary shortages. Similarly, there was some overlap between assistance, charity and alms. Poor and vulnerable households moved back and forth from self-sufficiency to being recipients of assistance (usually from their peer group) and charity (from patrons), to outright begging for alms, depending on their particular circumstances. Informal social assistance, moreover, was not without a social cost in terms of the loss of respect and honour, and the weakening of peer group ties. Various degrees of dependence could be found in the fieldwork sites.

Idiosyncratic shocks were commonplace among our study cases and although this did not signify the prevalence of risks in the population as a whole, our cases did provide an indication of sources of economic shocks and their correlates. Life-cycle events, ill-health, accidents, conflict and incidents of violence, disputes with kinfolk and peers, and family breakdown were some important sources of economic shock. These shocks may have exacerbated economic hardship linked to macroeconomic conditions (such as growth, employment, inflation and price volatility) but dominated the perceptions of economic shock in the subjective view of the individuals concerned. The high prevalence and severity of these idiosyncratic shocks in the lives of the poor in rural and urban areas further reduced the visibility, therefore, of food price volatility as an urgent policy or political issue.

Formal economic and social systems in the form of salaried jobs on the one hand, and state cash transfer programmes on the other, were present and acknowledged as significant sources of support in different ways. A government salaried job is highly valued by the food insecure in both rural and urban areas as a stable and predictable source of food security. For the poor, obtaining a government job, although difficult, was still considered a promising way out of food insecurity and vulnerability to hunger. While the state cash transfer programme was relatively small in terms of the value of the transfer (compared with salaried employment), in some ways it was regarded as a comparable source of support. Beneficiaries compared the cash transfer (particularly the BISP transfer to women) favourably to loans which had to be repaid. Interestingly, they did not compare it to charity from the better-off, and saw no negative connotations in terms of loss of respect or social status as a result of becoming programme beneficiaries. Some likened the BISP to government salaries or pensions, but for women.

The young in rural and urban areas look to non-farm employment, particularly a salaried government job, as a promising career. Higher prices for farm produce do not appear to have changed this outlook. Farm work was seen as being associated with a lack of education and social backwardness – something that aspiring young people in urban as well as rural areas sought to escape. While there was evidence of increasing agricultural output as well as benefits of this growth to the rural economy in general, this did not translate into enthusiasm for agricultural work as a career choice.

Besides the cash transfer, government policies with respect to food security have been focused on maintaining price stability and preventing the formation of price spirals and hoarding. This is the case at the national level with wheat procurement policies, as well as the monitoring of prices of basic commodities and interventions in markets through regulated openings to international trade. At the local level government has a system in place for monitoring and checking prices with the objective of preventing profiteering and hoarding on the part of dealers and retailers. These systems, even the local ones, however, are neither aimed at ensuring food security nor perceived by the community as being effective. Regulated prices, in any case, reflect market prices and are set in consultation with market and traders' associations. The government is therefore cited only vaguely as a guarantor of

food security by poor people at our listening posts, unless it is mentioned as a possible source of a salaried job. Their ideas about where responsibility for ensuring access to food lies range from the divine (God) to male family members or earning heads of households.

## 9.2 Recommendations

### *What we need to keep monitoring*

- While food price volatility has not been a serious issue in Pakistan since the crisis of 2008-2009, that crisis had a lasting impact on the economy. The policy response to the crisis was based on the understanding that Pakistan cannot isolate its economy from global prices through trade restrictions alone, and that wheat procurement prices need to be able to anticipate world prices in order to ensure the prevention of local hoarding, collusion, shortage and price spirals. While the policy has been successful, there is still a need to continue monitoring for any lapses in the policy at the national/provincial level, and local price spirals and shortages from the community-level listening posts.
- The cash transfer programme which was the other key policy response to the 2008-2009 crisis, developed into the main social protection programme. This programme, as we have shown, provides some level of food security to the poor, particularly women, but is limited in its coverage. The continuation of the programme, moreover, depends on political support in government, parliament, the general public and the donor community. At the policy level, therefore, there is a need to monitor the progress of the cash transfer programme – both its continuation, but also improvements in its scope and coverage. The community-level listening posts provide an additional source of information about the functioning of the programme.
- As the government is moving towards a food security policy, there is a need to monitor the progress of policy development, and particularly the specific mandates which are envisaged at various levels of government to ensure food security. Once the policy is established, it is necessary to monitor its impact at the community level (if there are, indeed, new initiatives for food security and accountability at the local level) from our listening posts.

### *What needs immediate action, where and by whom?*

- Given that Pakistan's social protection paradigm is now based on a targeted cash transfer programme, this is the main formal instrument for preventing hunger and food insecurity. While the targeting of the programme has been widely acknowledged as being a major improvement over prior targeting mechanisms, as our qualitative study has shown there are still many vulnerable individuals and households that have been left out. These individuals and households continue to be vulnerable to short bouts of hunger – even if they are generally able to access and acquire sufficient quantities of the main staple. There is a need, therefore, for ensuring that the programme is able to reach out to these vulnerable individuals and households. At the national level this requires lobbying and advocacy, as well as the preparation and presentation of unbiased evidence for expanding outreach, and for designing complementary targeting methods to ensure the inclusion of more of the vulnerable. At the local level there is scope for community-based mobilisation by civil society organisations for expanding coverage and improving outreach.

### *What do we need to understand better or on a larger scale?*

- In the rural context we need a better understanding of the food economy and how it functions. The insights gained from qualitative research need to be backed up by comprehensive investigations in more locations to build up knowledge of how the food economy actually functions in various areas, how it influences other social and economic arrangements, who is protected and when, and who is vulnerable and how. We need

research to establish more authoritatively whether and to what extent the finding of this study – that there is value in giving primacy to the food economy in interpreting economic and social institutions and the behaviour of individuals – is true, and what are its implications for food security policy.

- Also in the rural context we need a better understanding in the medium term of the impact of on-going agricultural mechanisation on the food economy, and particularly on the demand for harvest labour. Since harvest labour is a key element in the food economy of the landless, who constitute at least half the rural households – this aspect of technological change needs to be better understood in order to formulate policy and advocacy proposals.
- In the urban context our study has made observations about the existing price regulation system which is focused on the prevention of profiteering and hoarding, but is seen as largely ineffectual. It will be important to understand in greater detail how this system works, and whether and to what extent, in the context of a market economy, the system might itself be a source of friction, uncompetitive practices and collusion.
- Another key issue which has emerged from our study is the unpredictability of other markets which matter to the poor. The labour market is a source of uncertainty and risk in any case, and combined with conflict, extortion, strikes and other aspects of urban governance in Karachi can be a major source of income and consumption shock and food insecurity. The housing market (particularly for rented accommodation) is another source of vulnerability and unpredictability for the poor in urban areas. While the main concern of this study has been with unpredictability in food markets and the impact of that unpredictability on food insecurity, it is important also to understand better the food security implications of unpredictability in these other markets.

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# Glossary

Barkat	blessing
Beeh	locally grown lotus roots
Ghee	hydrogenated vegetable fat
Kumhar	potter
Lassi	a yoghurt-based drink
Mandi	literally market, refers to a wholesale market where auctions are carried out
Maund	a local unit of measurement equal to forty kilograms
Mohalla	neighbourhood
Paratha	wheat flour flat bread fried in oil
Pakora	deep-fried gram flour fritters
Rabi	winter crop grown between October and April
Raees	chieftain of a tribe
Ramzan	Muslim month of fasting
Sasti Roti	cheap bread
Roti	flat bread made out of wheat flour
Tandoor	oven
Saag	edible leafy part of a mustard plant
Watan card	cash transfer scheme of the Government of Pakistan for those affected by the Indus floods of 2010